

Federal Energy Hearings

Public Hearings

Barrow

1976

** BARROW SPEAKERS **

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BARROW, ALASKA

SATURDAY, APRIL 10th

CHAIRMAN JACK B. ROBERTSON presiding:

Good morning, I am Jack B. Robertson, Regional Administrator of the Federal Energy Administration, Region X, based in Seattle, Washington.

With me on my left is Dr. Robert Davies, Director of the Strategic Petroleum Reserve Office, Federal Energy Administration in Washington, D.C.; on my immediate right Lt. Commander Terrance Woods, Officer-in-Charge of Naval Petroleum Reserve 4, the Department of the Navy; next to him is Mr. George Gryc, Regional Geologist, Western Region, U.S. Geological Survey; next to Mr. Gryc is Mr. William McConkey, Director of the Alaska State Energy Office; and on the end is Mr. Richard LeDesquet, District Mgr. Bureau of Land Management, Fairbanks District Office, Department of Interior.

Mayor Hopson, we want to thank you for the use of this very fine facility.

*

This public hearing is being held in conjunction with the report to Congress that the Federal Energy Administration is required to submit within 180 days after the enactment of the Energy Policy and Conservation Act, which was signed last December.

1 The report will contain recommendations for procedures
2 for exploration, development and production of Naval
3 Petroleum Reserve Number 4. It includes recommendations
4 for protecting the economic, social and environmental in-
5 terests of the Alaska natives residing within Naval
6 Petroleum Reserve No. 4.

7 We are also required to prepare an analysis of arrange-
8 ments which could provide for participation by private
9 industry and private capital for development of the re-
10 serve, and for leasing to private industry.

11 *

12 To help us in our report we are particularly interested
13 in having you people share with us your wisdom, your views
14 and data, and your arguments on such topics as exploratory
15 programs necessary to determine the resources on Petroleum
16 Reserve No. 4. We seek information on the extent to which
17 environmental intensive exploration, climate and other
18 uncertainties will affect each of our possible programs.
19 We are interested in information on the development and
20 production efforts needed to bring NPR 4 into production,
21 and we are interested in your views on the socio-economic
22 and environmental impacts of NPR 4 exploration, development
23 and production on the State of Alaska, and on Alaska natives.
24 Your facts and opinions that you share with us will be
25 used by us in preparation of our report.

1 So what you have to say to us (being nearest to the
2 Reserve itself) will be very valuable to us, information
3 we can get really no other way.

4 *

5 Those of you that would prefer to submit a written state-
6 ment we would urge you to do so and get in as quickly as
7 you can. Send it to Mr. Fred Chiei, Deputy Regional
8 Administrator for Alaska, Federal Energy Administration,
9 Room G-11, Federal Office Building, Anchorage. Mr. Chieis
10 name is spelled C-H-I-E-I. We hope that you can get
11 your comments in the mail hopefully this weekend because
12 it will give us more time to look them over and understand
13 them. I'll repeat that address again:

14 Mr. Fred Chiei
15 Deputy Regional Administrator
16 for Alaska,
17 Federal Energy Administration
18 Room G-11, Federal Office Bldg.
19 Anchorage, Alaska, 99501

20 We would like to emphasize that the purpose of this hearing
21 is to gather information on the exploration, development
22 and production in NPR 4 and therefore we ask you to direct
23 your discussions to these topics.

24 *

25 Before I call the first speaker Mr. McConkey has an
announcement.

1 MR. McCONKEY:

2 On behalf of the Governor we would like to comment that
3 we are pleased that the Federal Energy Administration and
4 other Federal Government Departments would come to Barrow
5 to meet with us here and we would like to express our
6 appreciation.

7 I would also like to ask: are there any representatives
8 of the State Departments of Revenue, Natural Resources,
9 Community Regional Affairs or any other departments here?

10 A. Yes, Department of Community and Regional Affairs.

11 MR. McCONKEY:

12 And your name sir?

13 A. Ike Wails.

14 MR. McCONKEY:

15 Any one from any other departments or agencies? (NO
16 RESPONSE). Thank you Mr. Chairman.

17 *

18 CHAIRMAN ROBERTSON:

19 With that I'll call on Mayor Hopson to share with us his
20 concern, information, desires and reasons.

21 MAYOR HOPSON (Eben):

22 Thank you Mr. Chairman. First let me say that my
23 testimony might sound to some of you to be a broken record
24 but that's only because of the continued concern on these
25 matters we are about to speak, at least in our opinion

1 have not been adequately attended to and so we continue
2 to press our point.

3 I am Eben Hopson and I want to welcome you to Barrow
4 and to the North Slope Borough. We wish your schedule
5 had permitted you to conduct your hearings during a week-
6 day evening and in Wainwright, Nuiqust and Atkasook as
7 well as here in Barrow. I know that your hearings
8 in Anchorage and Fairbanks were well attended - and if
9 our turnout here today for these hearings is light you
10 shouldn't regard this to be evidence of any lack of in-
11 terest in NPR 4 on the part of our people. It is just
12 that our community is getting ready for whaling, and week-
13 ends at this time of the year are very busy times. But
14 even if these hearings had been scheduled at a more con-
15 venient time, I doubt that many more would have turned
16 out to testify. The plain fact is Mr. Chairman, that
17 NPR 4 is an unpleasant, irritating subject. It is not
18 one about which our people would want to give up their
19 weekend time to come here to talk about. It falls to
20 people with jobs like mine to try to tell you how we feel,
21 and we try to do it as politely as we can because you are
22 guests in our community.

23 *

24 *

25 *

1 Try to look at this problem from our point of view.
2 Until NPR 4 was created in 1923 this land was our land
3 for thousands of years. When it was taken from us we
4 were not so much as even consulted. Today, of course,
5 we wonder about the real motivations behind the creation
6 of NPR 4. And back in the '20's' when we heard about
7 the creation of the Reserve we wondered even then how the
8 Navy planned to fuel its ships with the oil under our land.
9 But in those days few people questioned decisions made by
10 our Government, especially those made in the interest of
11 national security. We had more trust in our Government
12 then! Today, at a time when the Trans-Alaska oil pipeline
13 nears completion to provide some measure of military access
14 to NPR 4 Reserves, they are being turned over to civilian
15 control. We suspect that the oil taken from the land
16 taken from us for reasons of national defense will probably
17 wind-up being wasted in the same ways that caused our
18 national energy crisis in the first place.

19 *

20 Of course, NPR 4 was created without going through any kind
21 of public hearings process. Our country has matured in
22 the years since 1923, and thus you are here this Saturday
23 morning to consult with us about how to exploit our land
24 with minimum disturbance to us, and to our animals and to
25 our water.

1 I would like to suggest that the anxiety we feel about
2 NPR 4 development cannot be adequately expressed through
3 testimony at a single public hearing. We are noticing
4 that there are more and more public hearings being held
5 in Barrow. Our people in Canada have asked me to present
6 testimony before the Berger Inquiry. The Canadian
7 Government was so sensitive to the opinion of our people
8 in the Northwest Territories that it appointed Judge
9 Berger to conduct an extensive inquiry into the probable
10 impact of the Trans-Canadian gas pipeline upon the people
11 of the Mackenzie River Delta area. Judge Berger has
12 been conducting his inquiry for several months, and has
13 taken pains to visit all of the communities that might be
14 affected. I have been impressed by the intensiveness
15 and seriousness of the Berger Inquiry - and I wish that
16 our Government would demonstrate as much concern and con-
17 sideration to ua.

18 *

19 I believe that our people are very concerned about what
20 oil and gas development in the Arctic will mean for their
21 families and their villages. There is an underlying
22 sense of anxiety over this development and it is particu-
23 larly strong among our young people. Our anxiety in-
24 creases greatly when we consider Government plans to lease
25 OCS land for oil development in the Beaufort Sea.

1 So our feelings about NPR 4 development should be viewed
2 in this larger context. This anxiety was evident here
3 in this room two weeks ago when Greenlandic and Canadian
4 Eskimo leaders came to Barrow to participate in a pre-
5 conference planning session in preparation for the first
6 Inuit Circumpolar Conference to be held in Barrow in late
7 November, 1976. James Arvaluk, President of the
8 Canadian Eskimo Brotherhood, summed up our general feel-
9 ings across the Arctic when he pointed out that we should
10 treat Arctic oil and gas development at the Inuit
11 Circumpolar Conference as a problem rather than as an
12 opportunity for our people.

13 *

14 But Mr. Chairman, we know that we can't turn back the
15 clock. We must manage the problem of NPR 4 the best way
16 we can. During our struggle to settle our Land Claims,
17 we thought that we would win control over enough NPR 4
18 lands to enable us to protect our communities from adverse
19 impact from NPR 4 development. But as you know, the
20 Land Claims Settlement Act specifically denied us sub-
21 surface control on any land selected within NPR 4. So we
22 included municipal organization in our overall land claims
23 effort, and today the North Slope Borough is rural
24 Alaska's only Home Rule Regional Government, and the first
25 Home Rule Government in the entire Arctic.

1 We hope to use our municipal government to secure a
2 measure of the control we would have had if the land of
3 NPR 4 had not been taken from us in the first place.

4 *

5 Our Government has been working on the NPR 4 problem since
6 its organization in 1973. Included with a copy of these
7 remarks is an early paper developed by my staff in 1974
8 entitled 'NPR 4 Development Impact Management: Need for
9 Local/Federal Cooperation', and I would appreciate your
10 including this paper in your transcribed record of this
11 hearing. Last summer Congressman Melcher visited with
12 us here in Barrow and he suggested to me that we send
13 people to Washington, D.C. to secure our interests in
14 NPR 4 legislation. Over the following months our people,
15 notably Charlie Edwardsen, Jr. and Tom Smythe, worked in
16 Washington to insure that any forthcoming legislation pro-
17 vided for our needs.

18 *

19 I remained personally neutral on the question of the
20 transfer of NPR 4 to the Department of the Interior until
21 I visited Washington, D.C. in November of last year. While
22 there I decided to support transfer to the Department of
23 Interior. I've included a memorandum from Tom Smythe in
24 the material that I have given you, Mr. Chairman, that
25 deals with the economic reasons for my decision to

abandon my neutral stance in favor of NPR 4 transfer to Interior, and I would appreciate your including Mr. Smythe's memo in your hearing transcript also.

*

Over the past year we have been organizing to brace our community to manage the impact expected from NPR 4 exploration and development. We have secured the help and assistance of the Office of Economic Adjustment, Department of Defense, and of the Northwest Federal Regional Council, which has voted to add our NPR 4 impact management program to its own agenda.

Our work in this area will be substantially helped by Section 107 of H.R. 49, and we are working to help implement this Section as soon as possible. I have been told that this appropriation authorization is a fairly rare accomodation, but it is one for which we worked hard in Washington, D. C. We will be able to use this authorization to secure the funds we will need to bring our community facilities up to the point that we can begin to prepare for the impact of NPR 4 development.

★

Mr. Chairman, it is our position that we can't begin to talk about effective management of these impacts until we have caught up with the serious neglect that can be seen

1 throughout our community. I have included in our
2 material for you a copy of my letter to Mr. Bernard Kelly,
3 Chairman of the Northwest Federal Regional Council, in
4 which I have prioritized ten immediate problems that
5 need attention now before we can ever think about handling
6 NPR 4 development impact effectively. I would appreci-
7 ate your including this letter in your printed transcript.

8 *

9 Today I would like to raise a few points that I have asked
10 our Planning Director to elaborate upon in his presenta-
11 tion. These points deal with the role and requirements
12 of our Borough in the regulation of orderly NPR 4
13 development.

14 *

15 Our Borough is less than four years old and we have not
16 yet been able to enact specific regulatory ordinances
17 respecting oil and gas development within our Borough.
18 These ordinances will constitute important policy for our
19 Borough government, and we are taking our time to do a
20 good job. However, I can say now that we will expect
21 these ordinances to be honored by the Department and its
22 leasees and contractors operating within NPR 4. We know
23 that the Reserve is a Federal enclave, but we don't want
24 relations between our Borough and Federal Governments to
25 deteriorate to the point that any claim is made for

1 exemption from our regulatory requirements based upon
2 grounds of Federal supremacy. We expect the Department
3 of Interior and its NPR 4 leasees and operators to be
4 responsible law-abiding citizens of our Borough.

5 *

6 For example, our Borough will expect all NPR 4 exploration
7 and development to respect our Borough's traditional Land
8 Use Plan under development by our Planning Commission.
9 We will have a permit system that will enable us to track
10 and monitor all phases of development to assure proper
11 social and environmental and industrial safeguards. We
12 will be drafting a resource extraction plan to insure the
13 economic stability of the Borough over the long term. We
14 know that oil and gas extraction elsewhere has been a boom
15 and bust proposition, and we want to avoid this kind of
16 thing here in our Borough. We will expect the Department
17 of Interior to build our resource extraction plan into
18 its overall NPR 4 plan.

19 *

20 Our Borough will be developing a local energy resource
21 access plan that will be designed to maximize local com-
22 munity access to natural gas and to coal. The problem
23 of local access to energy fuel has been quite a problem
24 in the past, and we don't want to have any problems in
25 the future. Although NPR 4 was created in 1923,

1 exploration didn't begin until 1944, and the Government
2 began heating its facilities in Barrow with gas in 1949.
3 But our Barrow people were denied access to natural gas
4 to heat their homes until 1963. Those of us who ex-
5 perience the bitter frustrations of the fourteen year
6 struggle to use the natural gas from the land that was
7 taken from us are especially committed to doing whatever
8 we have to do to insure that this does not happen again
9 to our children and grandchildren. Moreover, we want
10 access to energy fuel at prices we can afford to pay.
11 We don't want the Government to try to build in its own
12 exploration costs into the rate base for our tariff for
13 natural gas as the Navy has insisted upon doing. We don't
14 anyone to argue that we should pay the constantly rising
15 market price for natural gas. We are going to be making
16 many sacrifices because of the urgent need for oil and
17 gas from NPR 4 - and we feel that we should enjoy access
18 to energy fuel on special terms that take into proper
19 account the toll that NPR 4 development will take upon
20 our cultural values and traditions, and our life-style.

21 *

22 We would like Interior's exploration schedule to be organ-
23 ized in such a way as to provide natural gas to Nuigut,
24 Wainwright and Atkasook as soon as possible. We want a
25 new production well for Barrow. We are aware that in

1 the course of exploration there will be discovered gas
2 pockets of non-commercial size but large enough to supply
3 our villages for quite some time. We will want to
4 identify enough of these low-yield pockets to insure access
5 to gas for our people well into the future. For our part
6 we plan to conserve natural gas for home heating by de-
7 veloping our coal reserves for electrical generation.
8 Our Capital Improvements Program planners are planning
9 conversion to coal-fired steam turbin electrical gener-
10 ation in Wainwright, Barrow and our new community of
11 Atkasook, now under development. This will conserve
12 our natural gas supplies and develop efficient access and
13 use of the extensive coal deposits within NPR 4.

14 *

15 COAL: Today America needs our oil and gas, tomorrow she
16 will need our coal. We have visions of extensive environ-
17 mental degradation necessary for commercial exploitation
18 of our coal. We have been told that we may have as much
19 as one-third of all America's coal reserves within NPR 4.
20 I'm hoping that we will be able to join early on with the
21 Department of Interior to begin working on the problems
22 of coal extraction in the Arctic, and that those studying
23 NPR 4 impact upon our environment will pay special atten-
24 tion to this problem.

25 *

1 Now Mr. Chairman, I would like to touch upon our interest
2 in working to insure that our people benefit from economic
3 opportunities associated with NPR 4 exploration and de-
4 velopment. We are aware of the leadership being provided
5 in Alaska by the Department of Interior in the area of
6 affirmative action to provide economic opportunities to
7 minority group workers and businesses. We are looking
8 into ways with which the Borough can begin now to co-
9 ordinate and stimulate affirmative action to fully involve
10 our regional and village corporations in NPR 4 oil field
11 operations at all levels, including drilling and all sup-
12 port operations, and pipeline construction and management.

13 *

14 We have already begun in this direction at Prudhoe Bay
15 in the development of our Deadhorse utility system. In
16 cooperation with NANA Environmental Systems, Inc., we are
17 developing a full-service Arctic oil field utility program
18 as a valuable revenue-generating part of our municipal
19 public utility system. In cooperation with NANA
20 Security Services, Inc., we are developing an area-wide
21 public safety program plan which will include municipal
22 provisions of revenue-generating oil field security and
23 emergency services.

24 *

25 Our Borough Health Department is including in its plans

1 the development of a municipal revenue-generating oil
2 field industrial safety, medical care and emergency
3 services program.

4 *

5 Our extensive CIP has meant full employment in Barrow
6 and in several of our outlying villages. While some of
7 our people will want to work at least part of the time on
8 NPR 4 oil field operations, we feel that this development
9 will create more jobs that our local people can fill.
10 Our Borough will take affirmative action to insure that
11 Native people from other regions, including those in
12 Canada, have full opportunity for employment here, and I
13 would expect that other Native Regional Corporations will
14 participate in NPR 4 operations, following the lead of
15 NANA in Kotzebue.

16 *

17 As a matter of fact, I would advise all of those firms
18 desiring to operate within NPR 4 to try to establish joint
19 ventures or other local participation programs. Our
20 Borough will use its strength to insure that our own
21 people and our own business participate in NPR 4 operations
22 to the maximum degree.

23 *

24 So Mr. Chairman, as you can see, we have been preparing
25 ourselves to make the best of an unhappy situation here.

1 I would like to finish my remarks by observing that NPR 4
2 will become a major oil and gas industrial laboratory in
3 which the Department of Interior, because of the degree
4 of control it can maintain, can distinguish itself by
5 establishing a new and more enlightened policy toward
6 public resource development of native lands. The history
7 of the Department of Interior and the BIA in this regard
8 has been unhappy. But in our case, BIA stewardship has
9 been replaced by Home Rule Government, and we have the
10 resources to insure that NPR 4 is explored and developed
11 carefully, safely, and properly. We want everything
12 done by the book and where the book needs changing, I think
13 we can see to it that changes are made. We are going to
14 be looking very carefully! I am told, for instance,
15 that Commander Woods has begun to issue surgical masks and
16 gloves to those visiting Lonely, which is the DEW line
17 sector where his wells are being drilled, so careful is
18 he being to enable the Navy to demonstrate to the Department
19 of Interior how Arctic oil and gas development should
20 happen. It is good that he is being careful - many eyes
21 are upon us here.

22 *

23 We have here in NPR 4 an opportunity to fashion a new
24 chapter to the Native Land Claims Movement, a movement that
25 has become inter-woven with the entire question of energy

1 resource development all across the Arctic. What we
2 Eskimos do here in NPR 4 will influence the social,
3 political, and the economical well being of all of our
4 people in Alaska, Canada, Greenland, and perhaps even in
5 Siberia. The North Slope Borough is the first Home Rule
6 government in the Arctic. But we Eskimos of the Arctic
7 are all one people, as was so clearly evident here in
8 this building two weeks ago today. We must insure
9 that we use our Home Rule powers wisely to guide us safely
10 through this era of rapid Arctic resource development.
11 We have endured all things well, and we will endure this
12 also. With decent Federal regard for us as a people,
13 all good citizens, we will come through safely and intact.

14 Thank you, Mr. Chairman.

15 *

16 CHAIRMAN ROBERTSON:

17 Thank you Mayor Hopson for that very thoughtful statement.
18 I'll ask the members of the panel if they have any
19 questions of Mayor Hopson.

20 DR. DAVIES:

21 You mentioned two plans in the process of development - one
22 was the Land Use Plan - - how far along has this been
23 developed?

24 *

25 *

1 MAYOR HOPSON:

2 I'll have to refer that to Herb Bartel, he's our Planning
3 Director he's going to speak to you later - - -

4 CHAIRMAN ROBERTSON:

5 - - would you come forward please, we'd like to keep the
6 questions current as we go along.

7 MR. BARTEL:

8 We need approximately eighteen months to finish that pro-
9 ject. What has been accomplished at this time is that
10 we have through the Geophysical Institute of the University
11 of Alaska acquired some of their satelite photography -
12 the map that is on the wall is a map of the North Slope.
13 In addition to that map we have work sheets in the Planning
14 Office with USGS overlays. The scale of this map is the
15 same as the 1-to-250 thousand USGS - - the intent is to
16 map every aspect of the past use of the land, every aspect
17 of the present use of the land, and then make some projec-
18 tions on what we feel are important considerations for
19 future use. This then would provide the basis for a
20 land-use policy statement that takes into consideration
21 food-chains, takes into consideration lifestyles, and could
22 then be the framework of or for the Borough's Land Use
23 Element. I think the important point to make about that
24 plan is that it is implemented, this is not some traditional
25 planner's approach of doing a grand scheme and then trying

1 to implement it, it's there. What I feel is important
2 as a professional is to try to document that, put it in
3 the form that the Native people can be assured that it's
4 protected.

5 DR. DAVIES:

6 I'd like to explore this subject a little further in re-
7 gards to Mayor Hopson's testimony.

8 MR. BARTEL:

9 There are several other points which I will cover - perhaps
10 I should wait until my names comes up.

11 CHAIRMAN ROBERTSON:

12 I want to make sure we have your name right, would you
13 restate your name please!

14 MR. BARTEL:

15 My name is HERB BARTEL, I am Planning Director of the North
16 Star Borough.

17 CHAIRMAN ROBERTSON:

18 Thank you. Any other questions by the panel?

19 DR. DAVIES:

20 The other plan you mentioned was the resource extraction
21 plan, how far along has that progressed? How far have you
22 developed this plan?

23 MAYOR HOPSON:

24 We have a firm studying this at the moment, they've been
25 at it for a little over a year, it's a coal resource

1 extraction plan and the initial effort was to build what
2 we call a total utility system for the village of
3 Wainwright which we know - - - the plan was to install
4 a coal-generating electrical generator which would spin
5 off all the heat necessary to heat the whole village,
6 the school and the public buildings. They have done some
7 work/some plans right in the vicinity of Barrow but I
8 think the overall plans they're due to come out around the
9 30th of June.

10 CHAIRMAN ROBERTSON:

11 Mayor Hopson, what is the name of the company doing the
12 work for you?

13 MAYOR HOPSON:

14 It's called the Alaska Consultants, in Anchorage - the
15 names of the two people that are working on it are Ralph
16 Devenshire and Tom Smythe.

17 CHAIRMAN ROBERTSON:

18 Thank you. Any other questions from the panel?

19 MR. MCCONKEY:

20 One of these subjects in your presentation concerned
21 avoiding adverse impacts on the community as the result of
22 NPR 4 development, what sort of impacts do you see that you
23 need to protect against?

24 *

25 *

1 MAYOR HOPSON:

2 Would you like to take Barrow as an example?

3 MR. McCONKEY:

4 Certainly.

5 MAYOR HOPSON:

6 Heretofor the only comments we have heard so far from
7 those that have been involved in the start of the program
8 of NPR 4 - they are telling us that Barrow will not be a
9 staging area for the exploration and development of NPR 4-
10 but we happen to think otherwise. Even if you located
11 a staging area a hundred miles from here - let's take the
12 health facilities question - unless you're providing total
13 hospital facilities in the operation of explorations, the
14 closest hospital from that staging area is Barrow and their
15 facilities are already up to here with patients and every-
16 thing - and that is going to be an impact.
17 We could spend all day talking about all kinds of impacts,
18 law enforcement is going to be impacted, the need for water
19 and sewer in this community is going to be impacted. Any
20 addition of personnel into this village impacts the housing
21 area. We're now involved in the matter of homes that
22 we're not sure are going to meet the standards set by HUD
23 as far as value and those figures are concerned; we're
24 working on further legislation now that may assist us in
25 building more homes within the North Slope. There's just

1 all kinds of impacts that are going to happen and the
2 reason we say this is that these people that are operat-
3 ing these exploratory programs continue to maintain that
4 Barrow is not going to be impacted - but I'm one of the
5 people that happens to think otherwise, it IS going to be
6 impacted.

7 MR. BARTEL:

8 If I might make a point Mr. Chairman, it's impacted al-
9 ready and that's why we're here today.

10 CHAIRMAN ROBERTSON:

11 Any other questions from members of the panel?

12 MR. GRYC:

13 I'm curious about this planned legislation which you - -

14 MR. BARTEL:

15 - - I have a couple of comments Mr. Chairman - not question
16 so much but just comments to support the Mayor's position
17 and I'd like to touch on a couple of those points.
18 One is this thing he was just saying in response to a
19 question from the panel, that the entire systems approach
20 has got to be taken if we're going to measure the impact
21 upon this North Slope. You may very well cut another
22 airport out there somewhere out there in the tundra such
23 as was done at Deadhorse, but just as we've shown here
24 today there is going to be that group of people - if they
25 are nothing else but tourists who are interested in seeing

1 what's going on at PET 4 so they're going to come and
2 look at it. And as we discussed this morning about
3 what's happened in the City of Fairbanks, the demand upon
4 the generators to provide electricity, the demand for a
5 glass of water, the demand for the same piece of the same
6 head of lettuce where everything is basically imported,
7 cannot be denied.

8 We have learned in this State from the Alyeska pipeline
9 and from the Prudhoe Bay development that impact goes
10 much further than building that corridor, it touches the
11 life-style of possible kind, hospital, alcoholism, venereal
12 disease, juvenile delinquency, just all sorts of things.
13 In the urban areas that's one kind of problem and in the
14 rural areas we might suggest it's a different kind of
15 problem - and with any of this development, we've got to
16 be careful. So we would carefully analyze the complete
17 systems - and what I'm doing here from the Governor's
18 office is strongly reinforcing what the Mayor said about
19 the impact here. That's one comment I'd like to make.

20 *

21 The second comment which is to some degree related and that
22 has to do with the local energy resource access plan. I
23 would be very interested to see that and I on my own will
24 call the Consulting people (if there is no objection) -
25 in addition to a representative of the Governor's office

1 I am the State Energy Director - and I want to support
2 very strongly what you are saying here about the access
3 of the people of the North Slope to those natural resources
4 that provide energy here. We have seen this winter
5 what happens when the barges freeze in and can't make it
6 around around to Wainwright, to Deadhorse and so on, and
7 I'm sure these people have seen that many times. With
8 those resources here and available, we can't see any
9 reason why they should not be made available to bring
10 that energy requirement of heat and power to the natives
11 of the North Slope, and without paying the same prices
12 that are being paid and governed by those people who deal
13 in those things in Washington, D.C. and in Houston,
14 Texas - because they are certainly not going to be
15 transporting natural gas all the way from here to Texas
16 and then back (I hope). Sometimes the way we do things
17 outside I'm not sure that we might not be in Texas - that's
18 similar to us importing oil into Kenai a few weeks ago.
19 Planning will show that-that is not necessary and the
20 State certainly will support the effort of the people
21 here to have use and access to their own natural energy
22 resources. That is a MOST IMPORTANT thing - most im-
23 portant to their well-being and it also makes good
24 economic common sense.

25 THANK YOU MR. CHAIRMAN.

1 MAYOR HOPSON:

2 Mr. Chairman, let me just thank Mr. McConkey for his state-
3 ments and as an example let me just tell you a little thing
4 that we went through this winter. Because of this barge
5 nondelivery of petroleum products we've been paying from
6 about last November up 'till now gasoline for \$2.43 a
7 gallon - this has been going on all winter long. Prices
8 of other products have gone up too but this one I very well
9 remember.

10 Even right now we're trying to arrange by private barge
11 operator to buy some diesel fuel from the topping plant at
12 Prudhoe Bay, hoping that it might be cheaper to provide
13 Barter Island village and Barrow with diesel fuel from the
14 ARCO topping plant. And in that connection we are also
15 exploring the possibility that this same barging outfit
16 may be able to go to Canada and buy its gasoline where it's
17 a lot cheaper. We just got all kinds of problems.

18 *
 *

18 CHAIRMAN ROBERTSON:

19 Mr. LeDesquet!

20 MR. LeDESQUET:

21 Mr. Mayor, I noticed in your presentation an absence of
22 discussion regarding access. Access is paramount to the
23 development of the Prudhoe Bay field in construction of the
24 Trans-Alaska pipeline - the Secretary of the Interior was
25 required to prepare a primary corridor system plan that also

1 included access road to NPR 4 - I would like to hear
2 your impression or response to the needs for access and
3 how they might impact development here in the home of
4 your Borough.

5 MAYOR HOPSON:

6 Let me comment on that last first - - let me go into that
7 a little more thoroughly - I'm not sure I understand your
8 question.

9 MR. LeDESQUET:

10 We've identified a series of issues one of which is the
11 pipeline corridor and how development occurs along that,
12 particularly with respect to the location of new commun-
13 ities, at this time the position is that the haul road
14 should not be opened to public use and that's been sub-
15 mitted to the Governor's Growth Policy Council as the
16 position of the Mayor's office. The problem is that it
17 goes back to existing needs with respect to transportation
18 which we feel are of first priority, these are not large
19 requests, they are small, and I'll go into some detail on
20 that later. The point is that the Borough's position
21 at this time, and the work that the planning office is
22 doing at this time is leading in the direction of the road
23 not being open to the public until these other needs are
24 satisfied so we're really not making any commitment on
25 ground access into Naval Petroleum Reserve 4.

1 MAYOR HOPSON:

2 I'm sure I didn't pick up on your question but that issue
3 is presently before the Governor's Growth Committee and
4 that was our position at that time - (I'm sorry).

5 CHAIRMAN ROBERTSON:

6 Any other questions? (NO RESPONSE). Thank you for
7 your testimony Mayor Hopson.

8 (Mr. Jean, would you take custody of the additional
9 attachments)†

10 A very fine statement Mayor Hopson.

11 Now we'll have our next registered speaker - identify
12 yourself please.

13 MR. BARTEL:

14 My name is Herb Bartel, I'm with the Planning Department
15 for the North Slope Borough. The people that I work
16 for are very, very polite and in addition to talking about
17 some of the specific planning elements I want to talk about
18 one of the things in the Mayor's speech and that's neglect,
19 neglect with respect to basic community facilities.

20 At the present time the village of Nuigsut does not have
21 an airport that they can use on a year-round basis. At
22 breakup time the landing strip turns to deep mud and they
23 have no transportation link at all. During the dark
24 period they use fuel oil lamps to mark the end of the run-
25 way - you can see the airport when you fly over it but

1 when you get on the final approach you can't see it any
2 more.

3 Now we've been reading a bit about these support
4 facilities at the airport at Prudhoe Bay, particularly
5 the Deadhorse airport - now it's my understanding that
6 the FAA has indicated that-that airport is one of their
7 top priorities and there is in fact a pre-application
8 for Federal funds in the amount of some nine million
9 dollars for improvement to that airport. They are going
10 to widen the runway, they're going to pave it, they're
11 going to install high intensity lighting. My point is
12 that it takes Federal dollars to provide facilities that
13 support oil exploration and development - and there is
14 really only a certain amount of Federal dollars available.

15 *

16 The requests that the villages have with respect to ex-
17 isting deficiencies are not large. I think the important
18 thing for the Federal Energy Commission is to NOT make the
19 same mistakes as in the past, to treat these villages with
20 an even-handed approach - so if you're spending nine mil-
21 lion dollars on an airport that is supporting oil develop=
22 ment that Federal agency takes a look at village airport
23 needs and assists the villages with those basic needs.

24 *

25 *

1 I think another example we could give would be the
2 Federal dollars that went into the bridge over the Yukon
3 River; the request for assistance with respect to roads
4 has helped to provide a year-around road from the airport
5 to the village center - in many cases that's a half a
6 mile roadway.

7 *

8 We have to take a look at all of these needs because
9 they are going to be in competition with these Federal
10 dollars - and as a planner for the Borough I see us
11 struggling with the Capital Improvements Program, trying
12 to satisfy these needs, doing a very good job at it but
13 attempting many things that are someone else's responsi-
14 bilities. And again, I think the Mayor's speech did
15 not emphasize strongly enough the problem of dealing with
16 this existing neglect before new dollars are put into new
17 facilities for petroleum exploration and development.

18 *

19 Now a couple of points on the resource extraction plan.
20 First of major concern is the boom that will result from
21 the development phase - we've got to look at resource oil
22 exploration and development at the regional basis, we
23 cannot just look at it as Naval Petroleum Reserve No. 4
24 because in addition to that it's the offshore leasing
25 that will impact, it's the development of the regional

1 corporation lands that will impact and each of these will
2 have a separate boom. So one element of this resource
3 extraction plan I think has to address the problem of
4 leveling out these booms if you will, so that we don't
5 have at the end a really disastrous bust-cycle.
6 So the point is, take a look at exploration development on
7 a regional basis - this is a regional government - the
8 boundaries I think are really limiting what the total im-
9 pact is going to be, the values of NPR 4.
10 Then after some projection of how to level out these boom
11 cycles I think what is needed for the interests of the
12 North Slope Borough as a whole new government to be pro-
13 tected, is some production schedule - because it can't just
14 suddenly at the end of a five year, ten year or whatever
15 period of time it happens to be have all the tax revenues
16 that it has depended on evaporate when the facilities are
17 carted up and shipped back out.

18 *

19 So the major concerns on the resource extraction plan, in
20 addition to the points the Mayor has made are these. The
21 traditional Land Use Plan has no magic to it at all, it's
22 a matter of inventorying with people who know the land,
23 how it's been used, what its historic archeological values
24 are. I've mentioned food chains, it's not only the
25 actual location of hunting camps that are of concern but

1 the wildlife habitat of all those species that appear
2 at the hunting areas. The plan would not be a typical
3 handout kind of plan, I think it's going to end up in a
4 series of microfilm inventories so that for any particular
5 site there are detailed descriptions.

6 *

7 The plan then would provide the basis as I've mentioned,
8 for a policy statement that would give some direction for
9 the location of new communities. Existing village de-
10 ficiencies should not be used as the village answer for
11 using it as a support facility for exploration and de-
12 velopment. What I am saying specifically is that if
13 a village needs basic facilities such as safe water, de-
14 pendable transportation, oil exploration development should
15 not be used as the answer for those problems, they should
16 be handled on their own basis.

17 *

18 All this then would, as far as regulation is concerned,
19 take the form of the review process - and that review
20 process would be one where the North Slope Borough
21 Planning Commission has the planning authority, takes a
22 look at site specific proposals, there would be specific
23 clearances involved for the historical and archeological
24 resources, there would be specific review of the trans-
25 portation facilities and the movement of men and supplies

1 back and forth. The point is that I think it would be
2 a safeguard for the Home Rule Government to have a say
3 in what was going on. I think it will undoubtedly slow
4 up the process as far as oil exploration development is
5 concerned.

6 *

7 The Planning Commission wants to know what's going on,
8 the Planning Commission I think has been left out in most
9 cases - the North Slope Borough Planning Commission. We
10 realize of course that local government is pre-empted
11 certainly with respect to regulation but nevertheless we
12 feel that it must be heard with respect to how these oil
13 development activities impact us.

14 Are there any questions from the panel - I'll be glad to
15 try to answer them.

16 DR. DAVIES:

17 If development is made as planned, you obviously have
18 set forth issues concerning the objectives of the Borough
19 and you have previously said your plan will not be avail-
20 able to us - - that the study you are conducting is ex-
21 pected to be completed around the end of June - but I
22 think some of the information on the basis of which you
23 developed that plan would be of great value to us at this
24 time. Have you written down some of those objectives
25 - - -

1 MR. BARTEL:

2 It is one of a whole series of issues which we can pro-
3 vide for you, yes.

4 DR. DAVIES:

5 I would appreciate that. You say this process will slow
6 the development and exploration down, why do you say that?

7 MR. BARTEL:

8 I think in the past there have not been any hearings at
9 the local Planning Commission level - that's what tends
10 to slow it down. I think the Planning Commission - -
11 well, they're not going to give you an answer immediately,
12 their public hearing process doesn't necessarily work so
13 well at the local level. They'd like to put mats on the
14 floor and think about it, talk about it with their people
15 back in the village.

16 DR. DAVIES:

17 How do you see this Mr. Bartel with respect to the explor-
18 ation for oil and gas or production, how do you eventually
19 see this working?

20 MR. BARTEL:

21 Say there is a specific location for exploratory drilling
22 that would be a presentation on that site specific location
23 going through all clearances which would include any im-
24 pacts there would be on food chains in that area, any
25 evaluation with respect to transportation facilities,

1 each proposal by private industry or the Department of
2 Interior however the leasing arrangement is made, would
3 take the form of a review process.

4 DR. DAVIES:

5 Do you think it would be fair to have more or less the
6 guidelines set forth in the beginning so that anything
7 done by the Interior or private companies would be more
8 or less in compliance with what you would expect - if the
9 guidelines had been set forth?

10 MR. BARTEL:

11 That could be, yes.

12 CHAIRMAN ROBERTSON:

13 Any questions from the panel?

14 MR. McCONEKY:

15 I think Dr. Davies has hit on a very critical point -
16 namely scheduling-timing. I know of no deposit in NPR 4
17 as of this moment - (end of tape-turn over-possibly few
18 words missing).

19 MR. BARTEL:

20 The plan that you're working on now - does it include input
21 from the Energy Resource Access Plan?

22 MR. McCONKEY:

23 Not directly, because again that traditional Land Use
24 Plan primarily reflects the value of the land as land.

25 *

1 MR. BARTEL:::

2 There is not a schedule for it as such, however, we have
3 requested of the Assembly monies to do this for the Barrow
4 area and we're having some problem sorting out the
5 financing of the plan since it is not related directly
6 to the Capital Improvements Project. So we're trying
7 to do this now for the Barrow area but we're having to
8 deal with our own budgetary restraints. We're not
9 really very clear on the relationship or if there is any
10 between the Energy Resource Access Plan and the Land Use
11 Planning Project. I am very hopeful for the Energy
12 Resource Access Plan - but I'm wondering how that relates
13 to the Land Use Planning Project and then how that might
14 relate to what affects NPR 4, if it does at all - and
15 especially if we're talking about coal which is underneath
16 the surface also and there are some great hopes for use
17 here.

18 I'm just a little concerned about the lack of the way that
19 seems to fit together, but perhaps unduly so.

20 *

21 I have another comment Mr. Chairman, in the hearings in
22 Anchorage we tried to stress also and which has been re-
23 stated here, and I'd like to re-emphasize that the NPR 4
24 when we're talking about development you got to be taken
25 a look on a regional systematic basis as to what's going

1 on in the Beaufort Sea and in Prudhoe Bay, what the
2 Doyons are doing further from here and what's going on
3 in the south - that this does not happen in a vacuum -
4 this is just one particular place and that everything
5 has got to be examined from a completely north Alaska and
6 everything a regional approach and indeed as far as the
7 State is concerned if you want to add OCS and the Gulf
8 of Alaska and everything else - it's an entire system and
9 we do not see any indication of that kind of enthusiastic
10 embracing of the systems analysis of what's happening in
11 Alaska because of the energy crisis.

12 *

13 One other comment here - when we're looking at Federal
14 dollars to assist which was mentioned, we don't necessar-
15 ily disagree obviously, but I wonder some times how we
16 make the argument or the connection between a period of
17 historical neglect and the development of an oil corridor
18 or NPR 4. Obviously no one wants to deny the fact that
19 somebody should have an airport or a safe water system
20 or something like this and no one denies that-that takes
21 money - and I am a little confused some times - - well,
22 maybe not confused but I do not see the connection between
23 the two. I think to strengthen your case you might want
24 to compare those connections in advance. One example
25 might be - you know we are not holding hearings in all

1 villages we are only holding hearings here - and one of
2 the reasons might very well be that we can't get there -
3 and it's necessary that an airport should be built there
4 and so on - and now we possibly can see some connection
5 between the development here. I just wanted to make
6 that suggestion.

7 We were talking about the historical neglect, let's try
8 to find some way to blame it on the national energy
9 crisis or at least find a solution to the national energy
10 crisis.

11 *

12 Then with Federal dollars to assist, the word that manage-
13 ment has used several times in the Mayor's testimony I
14 believe - and this goes back again to what the State is
15 trying to say in the broader concept, that assistance is
16 going to be required even in the beginning of this busi-
17 ness. The Mayor and his Planner have lots of other things
18 to do other than PET 4 and now PET 4 is an additional
19 thing that is going to be added to their workload, to the
20 requirements of their planners - and they are yet perhaps
21 expected to eke that requirement - that additional require-
22 ment of existing budgets and existing time, and indeed
23 and indeed as has happened in the State government, our
24 work groups, task forces and offices have to be set up to
25 analyze and manage these situations. So I am really

1 very specifically suggesting some front-end money and
2 management assistance as we start to address these
3 problems in an organized manner.

4 That's all I have - thank you Mr. Chairman.

5 CHAIRMAN ROBERTSON:

6 Are there any other questions from the panel? I believe
7 Dr. Davies has another question.

8 DR. DAVIES:

9 You stated that you collected this little amount of data -
10 in previous testimony we heard in Fairbanks and Anchorage
11 about attempting archeological historical sites and the
12 comments were that there really isn't sufficient data
13 available on that. Have you been able to catalogue
14 additional data on that?

15 MR. BARTEL:

16 Not additional data - we've done a fair amount of work on
17 Zone A of PET 4 and we are in the process of committing
18 that to writing at this time. Again, I think the
19 problem is that a typical historic inventory report does
20 not necessarily apply, it has to get down to some record
21 system of microfilm or whatever it is that gives you a lot
22 of detail in one area - - the territory is just very,
23 very large so we're having to approach it differently than
24 we would with a smaller governmental unit.

25 *

1 MR. McCONKEY:

2 Are you solely the planner here or do you work as a
3 consultant for another firm?

4 MR. BARTEL:

5 No, I'm employed by the North Slope Borough.

6 CHAIRMAN ROBERTSON:

7 Thank you for your testimony. Who would like to
8 speak next?

9 Yes sir, will you state your name for the record please!

10 A Mr. Chairman, my name is Joe Upicksoun and I have a pre-
11 pared statement. I am President of the Arctic Slope
12 Regional Corporation. As you know the Arctic Slope
13 Regional Corporation is one of the twelve Native Regional
14 Corporations that were incorporated under Alaska business
15 (sic) for profit - State laws.

16 I have within the stewardship almost four thousand share-
17 holders - and if I may now continue with my statement
18 Mr. Chairman.

19 As you know, the Arctic Slope Regional Corporation is one
20 of the twelve Native Regional Corporations originated
21 under the Alaska Native Claims Settlement Act. We are
22 an incorporation of nearly four thousand Inupiat Eskimos,
23 chartered as a business for profit company under the
24 Alaska State laws and also the Federal laws. On behalf
25 of our shareholders, that is just how we operate - and if
we are not productive we just don't operate any more.

1 We are a land-owning corporation, that is the basis of
2 our free enterprise within the Constitution of the United
3 States, that's what makes it so great, for free enter-
4 prising entrepreneurs and developers of what we own, the
5 resources that are in demand.

6 *

7 It is critical that I emphasize the order in which I just
8 stated those last three points which are going to be:

- 9 1) The land we own, that's over five and a half
10 million acres that's in private ownership, and
11 owning that land has a law of relationship in the
12 yield of it - and the wealth of the United States.

13 Now we care (secondly) about the management of the lands
14 that we are going to have title to. We are concerned
15 about how well we account for every parcel of land that
16 we have under our management, the accountability to the
17 Internal Revenue Service and also to the United States
18 as a whole.

19 Then the third point is the wealth that we derive from
20 the development of the resources that are pretty much
21 in demand now, energy, fossil fuel, hydrocarbons.

22 And then we have a concern with the proper care and
23 management of that land (as I have emphasized).As resi-
24 dents of several thousand years duration we have a unique,
25 very unique, and intimate dependency on this land that we

1 own. We have been an integral part of the Arctic eco-
2 system and we very definitely include that in our concept
3 of care and management of the lands that we own.

4 *

5 Finally, we look at the wealth that will be derived from
6 these lands we own, wealth in terms of a continued, fruit-
7 ful, steady, personal co-existence - - as well as the more
8 recent concept of wealth that includes the equity of our
9 shareowners in the dollar economy and the role of our
10 business corporation and its subsidiaries in the national
11 and regional energy development economy..

12 *

13 Members of the Commission, I am aware that your concern
14 today and throughout the course of your hearings and de-
15 liberations is the policy and practice of energy develop-
16 ment and utilization within the boundaries of NPR 4.

17 PET 4 is of course, our next door neighbor - in fact, we
18 are on it. To the south, to the north, to the east and
19 the west, these are the perimeters that are surrounding
20 us.

21 We, that is the Inupiat community, the Arctic Slope
22 Regional Corporation we are also humanly present - we are
23 a substance of occupied space, we are matter, but the most
24 important thing is that we are human beings. I bleed
25 blood just as much as you do when you're wounded.

1 We presently continue to work, hunt, fish, build, move,
2 travel and simply use the biological and physical energy
3 of this area. That is the second reason for our very
4 intense interest in what is going to happen on that
5 land.

*

*

6
7 And now, most recently we have become present, around
8 and within PET 4 according to the rules of the new
9 economy. There are new jobs, new types of work, new
10 livelihoods, new means of travel and new purposes for
11 utilization. That is the third reason for our very
12 intense interest in PET 4.

*

13
14 On behalf of the shareholders of the Inupiat or the
15 Arctic Slope Regional Corporation, and in their continued
16 interests, I am very proud to announce that we have been
17 able to successfully negotiate contracts within the para-
18 meters of the development of NPR 4 with the Alaska
19 General Contractors -and under the overall contractual
20 agreements that have been established between the United
21 States government and Husky Oil (that is NPR 4-Husky) and
22 its affiliates. This business venture will afford our
23 corporation the opportunity to actively participate in
24 and share the economic benefits in terms of both actual
25 income and corporate growth, that will stem from the

1 exploratory and developmental efforts of the Federal
2 government directed to resource utilization from NPR 4.

3 *

4 We look forward to employment, to management opportun-
5 ities, to corporate growth and diversification, to a
6 broadened financial base, to additional equity for share-
7 owners, to acquisition of new skills and technologies,
8 to increased participation with the State and national
9 businesses and industries within the entire United States,
10 and to have an honest and dignified inclusion, rather than
11 exclusion, in what is happening in our own neighborhood.

12 *

13 BUT - and this is essential to our statement here today =
14 we also look forward to undamaged waterways, to healthy
15 populations of fish, mammals, and waterfowl; to undistur-
16 bed trails and pathways, to campsites, clean air, to
17 solitude, to millions of untrampled flowers and to vast
18 reaches of clean, white snow.

19 *

20 Now I don't know just where that last statement is going
21 to fit into all those banks of computers in Washington,
22 D.C., or where the statisticians and engineers will be
23 able to fit it into the formulas, but please, while we are
24 here looking each other eye-to-eye and talking to each
25 other as fellow inhabitants of this much abused planet,

1 There is only three tenths of the earth's surface that
2 is land, the other seven-tenths is ocean.

3 I want you to accept that last statement as being
4 sincere.

5 *

6 In our deliberations and analysis of NPR 4 - of course
7 we will continue intensively within the coming weeks to
8 to be productive in the months and years of this State
9 and nation (sic) to exist, to show the Government that
10 free enterprise is probably the best way of getting into
11 development, exploration/development and then when NPR 4
12 starts producing then we have the abilities to come in
13 and build those facilities that are required to produce
14 whatever is coming out of NPR 4. We will have the cap-
15 ability of providing the expertise and management, and
16 also the ability to maintain and operate the facilities
17 that are eventually going to be involved.

18 *

19 However, it is our intention today at this particular
20 hearing, to impress on you our very real existence, our
21 very real and sincere concern about our land and people,
22 and our very real and sincere intention to continue and
23 to increase our participation in the events and life of
24 our own neighborhood.

25 *

Thank you for your attention!

1 CHAIRMAN ROBERTSON:

2 Thank you - that was a very powerful and sincere
3 statement, filled with information we just must have.
4 Any questions from members of the panel?

5 LT. COMMANDER WOODS:

6 I'd like to join in your statement, I think that was an
7 excellent presentation, and thank you very much.

8 MR. McCONKEY:

9 You mentioned the list of business subsidiaries of the
10 North Slope Regional Corporation, briefly, what are
11 those?

12 MR. UPICKSOUN:

13 The four subsidiary corporations are wholly owned by
14 the Arctic Slope Regional Corporation shareowners, we
15 have the Tundra Tourists, Inc., which is oriented
16 towards the tourist business and then other areas of
17 their activities; we have the Inupiat Builders, which is
18 another subsidiary corporation - they are oriented toward
19 ward small construction like the building of homes; and
20 the third one we have is the Eskimos, Inc. - that's the
21 one that is oriented towards heavy construction and deals
22 primarily towards logistics that require heavy equipment;
23 and the new one, the fourth one that I'm not so proud of
24 is an overall contractor that joint-ventures with the
25 major-majors.

1 CHAIRMAN ROBERTSON:

2 Thank you very much. Any other questions?

3 MR. UPICKSOUN:

4 One comment if I may - excuse me Mr. Chairman - it seems
5 like I make more comments than I ask questions Mr.
6 Chairman - as you know the State has a law called
7 'Local Hire' for all projects and although that is not
8 specifically the point here, I would certainly like to
9 have the State's support. That very eloquent presenta-
10 tion we just had here about the use of the Arctic Slope
11 Regional Corporation - our subsidiaries and their business,
12 their ability to hire people, place people and find mean-
13 ingful employment for the people of the neighborhood -
14 this is what was so eloquently stated - the statement
15 behind that certainly supports what was so eloquently
16 presented here.

17 CHAIRMAN ROBERTSON:

18 Any questions - Dr. Davies!

19 DR. DAVIES:

20 The Arctic Slope Regional Corporation has five and a
21 half million acres, is that correct?

22 MR. UPICKSOUN:

23 And then maybe some more.

24 DR. DAVIES:

25 Of course we are cut off from any exploration and production

1 on NPR 4 as Mr. Gryc said previously, we don't have a
2 formula yet that meets the criteria for economic pro-
3 duction but perhaps in combination with other finds,
4 not necessarily NPR 4, there would be. Do you have any
5 exploration clearance on your lands?

6 MR. UPICKSOUN:

7 Well Mr. Chairman, when you're in free enterprise and
8 you have a contract with three major oil companies you
9 don't disclose whatever deals you have on development of
10 those resources that are in the making today. But to
11 answer your question and be frank with you, I think we
12 have a very good ongoing relationship with those people
13 that we have negotiated contracts with. In fact, I might
14 tell you Mr. Chairman that when we consummated the con-
15 tract with one major oil company the statement by our
16 Land Director, Jake Adams, was "you know why the Arctic
17 Slope Regional Corporation is so powerful" and the oil
18 executive said "no I don't know, would you tell me" -
19 and Jake said "well, we let out contracts once in a while".

20 DR. DAVIES:

21 If we do find oil and gas on NPR 4 we have to get it to
22 market and that ability to get it to market may depend
23 upon what else is found nearby - and you would have the
24 same problem also. How do you see perhaps in combin-
25 ation the oil and gas from PET 4 and your lands crossing
to market, how would we get it to market?

1 MR. UPICKSOUN:

2 Mr. Chairman, I think these are routine administrative
3 things that can be worked out between two enterprises,
4 or even with the government, they can be worked out.
5 Does that answer your question?

6 DR. DAVIES:

7 Well, let me phrase it another way, what do you think
8 is the best prospect for marketing any oil or gas we
9 may find from NPR 4, would it be to connect into the
10 existing pipeline or do you have any other suggestion?

11 MR. UPICKSOUN:

12 Well these are policy decisions that I can't address my-
13 self to, you'll have to have the fifteen-man Board to
14 give me directions. But personally speaking, when you
15 are involved with business you have to be able to make
16 decisions quickly and not go through all the bureaucracy
17 and all that but yet you have to be accountable to your
18 stockholders in saying 'this is why I made the decision'
19 not rationalize but it was immediate. But these things
20 don't happen too often (hopefully they don't).

21 CHAIRMAN ROBERTSON:

22 Thank you. Any further questions - Mr. LeDesquet!

23 MR. LeDESQUET:

24 The North Slope Borough obviously is in quite an ex-
25 pensive planning process and I'm just wondering how the

1 Regional Corporation relates to that process, or what
2 planning the Corporation might be doing in that regard
3 also.

4 MR. UPICKSOUN:

5 Mr. Chairman, as free enterprise (you know) we are able
6 to understand that we have governments and the North
7 Slope Borough happens to be our local government. It is
8 for the benefit of the taxpayers and also the industrial
9 department to work closely together and in harmony and
10 keep the Planning Department up to date on the activities
11 that we have on the lands that we're in(sic). Then of
12 course we have the EPA that requires us to do that too.

13 CHAIRMAN ROBERTSON:

14 Any other questions? Mr. McConkey!

15 MR. McCONKEY:

16 The question of corridors is one that is always of some
17 interest and discussion in the government and private
18 circles of the State of Alaska, what is your corporation's
19 general attitude and feeling about any corridors which
20 might be necessary to move if we go into production of
21 NPR 4 to move on to or from that area?

22 MR. UPICKSOUN:

23 Mr. Chairman, if I may respond - we have no control over
24 what is done on NPR 4 because we know that the officials
25 in charge of the development of NPR 4 are honorable, they

1 are (I've seen some like Commander Woods) - and as far
2 as the corridors are concerned the private lands are
3 owned by Arctic Slope Regional Corporation - I would
4 have to get with our Land Director and say 'what is our
5 position there".

6 We have no hangups on actually opening up corridors
7 that are going to be attributable to the economic growth
8 for so long as they comply with the Environmental
9 Protection Act, because when you're a business man you
10 just don't have those hangups.

11 CHAIRMAN ROBERTSON:

12 Any other questions? (NO RESPONSE). Thank you for a
13 very fine presentation.

14 MR. UPICKSCUN:

15 I have some stability here to pass on to you.

16 *

17 CHAIRMAN ROBERTSON:

18 Thank you, we'll pass these copies around.

19 I understand Mr. Larry Underwood with like to talk with
20 us next. State your name and affiliation please.

21 MR. UNDERWOOD:

22 My name is Larry Underwood, I am the Assistant Director
23 for Science for the Naval Arctic Research Lab, an employee
24 of the University of Alaska and have been an area resident
25 since 1969.

1 The major focus of these hearings today as I understand
2 it is to consider the feasibility of conducting resource
3 development in this area. Similar activities are
4 taking place in other areas in the North Slope as you
5 know - in the Prudhoe Bay and Deadhorse area we're going
6 now into our own production phase there; in the offshore
7 coastal areas of the Beaufort and Chukchi Seas, the ex-
8 ploration phase is just now being initiated.

9 *

10 In most cases the environmental and sociological impacts
11 of such development have largely not been determined.
12 We can state that Arctic environments will be sensitive
13 to such development, and that the likelihood of deliter-
14 ious impacts are relatively higher here than in other
15 areas of the world. There can be little doubt that
16 resource development in the north will proceed. What is
17 unknown is the time frame in which development will come,
18 and the magnitude of the impacts that such developmental
19 impacts will cause. It is hoped that these impacts
20 will be within tolerable limits. Such can be the case
21 only if our understanding of the complex processes ex-
22 tant in the Arctic are complete enough so that impacts
23 can be predicted, prevented and ameliorated. Unfortun-
24 ately the state of our Arctic knowledge is such at
25 present that this is largely not possible.

1 A significant effort is being made to rectify this situ-
2 ation in the Outer Continental Shelf area. The Bureau
3 of Land Management has contracted with the National
4 Oceanographic and Atmospheric Administration to oversee
5 the conduct of a sufficient amount of research so that
6 information on the probable impacts of development will
7 be available on which to base decisions concerning re-
8 source development in that area. Basically the research
9 program will answer four questions: (1) What are the
10 major biological populations and habitats subject to
11 potential impact by petroleum exploration and develop-
12 ment, and what are the existing distribution and concen-
13 tration of potential contaminants commonly associated
14 with petroleum development? (2) What is the nature and
15 effectiveness of physical, chemical and biological pro-
16 cesses which transport pollutants through the ecosystem?
17 (3) What are the acute and chronic effects of hydrocarbon
18 and trace metal contaminants on Arctic and Subarctic
19 biota? (4) What hazards does the environment pose to
20 the safety of petroleum exploration and development
21 operations? Hopefully the answers to these questions
22 will be available to government and industry officials
23 by the time decisions will have to be made concerning
24 the techniques of resource exploitation on the Arctic
25 Outer Continental Shelf.

1 Today we are considering the feasibility of developing
2 the oil resources of NPR 4, a terrestrial region ad-
3 jacent to a portion of the Outer Continental Shelf en-
4 vironment. Indeed, a program of resource exploration
5 in this area has been active for the last two years. I
6 would like to draw to your attention the need for an
7 extensive research program, similar in scope to the
8 Outer Continental Shelf program, but designed for the
9 terrestrial area.

10 *

11 Some research has already been conducted. The Inter-
12 national Biological Program's Tundra Biome Study, funded
13 from 1970-1975 by the National Science Foundation, was
14 conducted in the Barrow area. The major thrust of
15 this study was an analysis of the tundra ecosystem.
16 Basically the inter-relationship between the ecological
17 processes driving the life forms of this environment were
18 determined. Beginning last year, the Research in Arctic
19 Tundra Environments, also funded by the National Science
20 Foundation, has been gathering data on (1) the importance
21 on natural grazing on the ecosystem, and (2) the limnology
22 of Arctic ponds and lakes. Both of these studies will
23 be invaluable in predicting and mitigating developmental
24 impacts. However, a great deal more needs to be done
25 yet.

1 Relatively little work has been done on large mammal
2 and bird populations on the North Slope. The State of
3 Alaska, Department of Fish and Game and several Federal
4 agencies, are monitoring some of these populations, but
5 most of these studies are still in their infancy, and
6 there are no extensive efforts to integrate them. To
7 what extent do these populations fluctuate naturally in
8 this area, and what are the processes that control these
9 fluctuations? How will these various species respond,
10 behaviorally or metabolically, to new roadways, pipelines,
11 etc. and to increased human populations? Can resource
12 development come to the North Slope without decreasing
13 biological productivity?

14 *

15 Most of the work that has been done on terrestrial
16 biology has concentrated along the coast, particularly
17 in the Barrow area. The principle reason for this has
18 probably been logistical. The inland regions of the
19 Coastal Plain Province and the Foothills and Mountain
20 Provinces of the southern parts of the North Slope have
21 not been studied adequately. It cannot be assumed
22 that the processes effecting populations in the Coastal
23 Regions are going to have equal effects in areas further
24 south. Certainly physical factors such as temperature,
25 precipitation, etc. are considerably different and the

1 influence of these factors on such things as length of
2 growing season are pronounced. In all probability de-
3 velopmental impacts in these areas cannot accurately be
4 predicted based on the knowledge gained in only a few
5 coastal points. How susceptible are these areas to
6 pollution? To what extent will area modifications of
7 recovery and restoration be required.

8 *

9 Any study of potential impacts should include socio-
10 economic impacts on area residents, and the interactions
11 of human residents and the natural environment. A
12 number of questions sorely need to be answered. How
13 will resource development change the life styles of area
14 residents? Can animal populations, i.e. anadromous fish,
15 whales, caribou, etc. continue to support subsistence
16 hunting? Will the need for subsistence hunting by
17 area residents change as a result of resource
18 development?

19 *

20 It is not my purpose here to present a complete list of
21 the questions that need to be answered before resource
22 development takes place in NPR 4, but rather to cite
23 some examples of the kinds of questions that require our
24 attention. They are important ones. Much of the
25 future of the North Slope depends on their answers.

1 It is my hope that the FEA will publicize the importance
2 of these questions to other interested Federal officials
3 and will stimulate the required research through a co-
4 ordinated well-funded program like the OCS programs.

5 Thank you gentlemen!

6 *

7 CHAIRMAN ROBERTSON:

8 Any questions by the panel? (NO RESPONSE). Thank
9 you Mr. Underwood for a very fine presentation.
10 Our next speaker will be Billy Neakok. Mr. Neakok
11 I've been told that I have mispronounced your name, will
12 you please be patient with me - please give us the
13 correct pronunciation, the spelling and your affiliation
14 at this time!

15 MR. NEAKOK:

16 My name is Billy Neakok and that's spelled N-E-A-K-O-K,
17 I was born and raised here in Barrow.
18 To really understand how bad the Inupiaq have been
19 screwed I have prepared some history from the old
20 Territorial laws that governed Alaska as a District;
21 and the laws applicable to the Natives of Alaska which
22 were made for the Indians of the Lower 48 States.

23 *

24 *

25 *

1 In his remarks before you today Mayor Hopson said that
2 there is serious question here about the real motivations
3 behind the creation of NPR 4, an action that took from
4 us control of twenty three million acres of land upon
5 which we have lived for thousands of years. It begins
6 now to appear that this action, justified by the needs of
7 national security, was made for highly specious reasons.
8 Many people here are beginning to feel that we were
9 'ripped off'.

10 *

11 It is becoming apparent that 'national security' was in
12 1923 used as a pretext for unjust acts just as we saw
13 during the administration of Richard Nixon. In fact
14 the entire business resembles the crimes of the Nixon
15 Administration.

16 *

17 We know that just four years after NPR 4 was established
18 the infamous Teapot Dome scandal involving the corrupt
19 administration of NPR 3 in Wyoming - - and we are also
20 aware that America's native people suffered extensively
21 by callous, unjust and discriminatory public land policy
22 and administration during the first half of this century.
23 The first taking of Indian land for national security
24 purposes occurred in Wyoming in 1915 and again in Colorado
25 in 1916, which is NPR 1.

1 In Section 8 of the Act of May 17, 1884, establishing a
2 civil government in Alaska and extending to it the laws
3 of the United States relating to mining claims, is the
4 first legislation which protected the Alaskan Natives
5 'in their actual use of occupation' of lands. The
6 Compiled Laws of the Territory of Alaska, 1933, also
7 included this section, which provides in part:

8 "That the Indians or other persons in
9 said District shall not be disturbed in
10 the possession of any lands actually in
11 their use or occupation or now claimed by
12 them but the terms under which such persons
13 may acquire title to such lands is for
14 future legislation by Congress".

15 In interpreting this provision the Court in Heckman vs.
16 Sutter, which is 1902 (110 Fed.83) said:

17 "The prohibition contained in the Act of
18 1884 against the disturbance of the use
19 or possession of any Indian or other
20 person of any land in Alaska claimed by
21 them is sufficiently general and com-
22 prehensive to include tide lands as well
23 as lands above the high-water mark. Nor
24 is it surprising that Congress, in first
25 dealing with the then sparsely settled
country, was disposed to protect its few
inhabitants in the possession of lands, of
whatever character, by means of which they
eked out their hard and precarious ex-
istence. Congress saw proper to protect
by its Act of 1884, the possession and use
by these Indians and other persons of any
and all land in Alaska against intrusion
by third persons, and so far has never
deemed it wise to otherwise provide".

*

1 Another subsequent judicial decision, Johnson vs. Pacific
2 Coast S.S. Co., (2 Alaska 224,1904) also stressed the
3 importance of interpreting the statute in the light of
4 the communal habits of the Alaska Natives:

5 "It is well known that the native Indians of
6 this country by their peculiar habits, live
7 in villages here and there, in some of which
8 they remain most of the year, and in others
9 during certain summer months; that while
10 their habits are somewhat migratory, they
11 have well-settled places of abode, and these
12 usually are not abandoned, though they may
13 vacate them for a few months at a time. The
14 history of the habits of these people is well
15 understood.

16 It is believed that the language of this Act
17 does not refer to lands held by Indians in
18 severalty but as to holdings by them collec-
19 tively in their villages and such places as
20 were occupied by them; that their methods of
21 life were well understood by the lawmaking
22 power, and that they were understood to occupy
23 lands in common either in villages where they
24 lived, or for fishing, hunting and like
25 purposes.

No doubt I think exists as to the right of
those Indians who had occupied some particu-
lar tract of land solely and exclusively by
himself, and had actually occupied the same
continuously before and at the time and since
the passage of the Act of May 17, 1884. He
could maintain his possessory right to his
property by virtue of this Act, and the rights
of the Native might and should have protec-
tion under such circumstances. But it is
evident to the Court that the Native Indians
who occupied the land in dispute, if they
occupied it exclusively and continuously, if
they were in the actual undisputed possession
thereof at the time of the Act of 1884 went
into effect, were occupying it as a village,
where a number had settled, and were there as
common occupants and not as individual

1 claimants to any particular portion of
2 the same. If they occupied the same ex-
3 clusively as a village or otherwise, their
4 right to the same must be protected, if
5 protected at all, under Section 8 above re-
6 ferred to. If the Congress of the United
7 States has made no provision for this class
8 of residents acquiring title to lands since
9 the Act of 1884, then they shall not obtain
10 title.

11 The Eskimos have been using and formed villages in Arctic
12 North Slope area since time 'immemorial'. The national
13 land mark 'BIRNIRK' (under National Parks) was an old
14 Eskimo settlement just seven miles northeast of the City
15 Barrow. It was dated back about 7,000 to 9,000 years
16 by scientific means, when it was excavated in the 1950s.

17 *

18 The statement of Rev. Sammuel Simmonds, Hearings on
19 H.B. 13142 and H.B. 10193, before the House Subcommittee
20 on Indian Affairs, 91st Cong. 1st Sess. Part II 408,
21 fourth paragraph, first sentence:

22 "As late as second World War, Arctic Slope
23 was occupied in many various places like
24 it has been immemorial".

25 *

26 On February 27, 1923, President Warren G. Harding by
27 Executive Order No. 3797=A, created the Naval Petroleum
28 Reserve No.4. This Executive Order was created during
29 the 'infamous Teapot Dome Era' when the Secretary of the
30 Interior at that time was convicted for bribery and

1 sentenced to a term of three years in jail. This
2 Executive Order is not in the Federal Register or in
3 some government publication but I would like to read
4 it to you:

5 * EXECUTIVE ORDER *

6 WHEREAS there are large seepages of petroleum
7 along the Arctic Coast of Alaska and con-
8 ditions favorable to the occurrence of
9 valuable petroleum fields on the Arctic
10 Coast and,

11 WHEREAS the present laws designed to promote de-
12 velopment seem imperfectly applicable in the
13 region because of its distance, difficulties,
14 and large expense of development and.

15 WHEREAS the future supply of oil for the Navy
16 is at all times a matter of national concern,
17 NOW, THEREFORE, I, WARREN G. HARDING, President of
18 the United States of America, by virtue of the
19 power in me vested by the laws of the United
20 States, do hereby set apart as a Naval
21 Petroleum Reserve all of the public lands
22 within the following described area not now
23 covered by valid entry, lease or application:

24 * *

1 And then there's a whole paragraph of description -
2 after which it goes on to say : "Said lands to be so re-
3 served for six years for classification, examination and
4 preparation of plans for development and until otherwise
5 ordered by the Congress of the President..

6 The reservation hereby established shall be for oil and
7 gas only and shall not interfere with the use of the lands
8 or waters within the area indicated for any legal purpose
9 not inconsistent therewith.

10 (and it's signed): WARREN G. HARDING

11 February 27, 1923
12 No. 2797-A.

13 *

14 Twenty-two years later the second to last paragraph was
15 deleted by amending the Executive Order, July 30, 1945,
16 by Public Land Order No. 289. (10 F.R. 9479) by Acting
17 Secretary of the Interior, Abe Fortas.

18 *

19 The Eskimos got their citizenship with the passage of
20 the Citizenship Act of June 2, 1924, and was finally
21 repealed in 1933, which included the Alaskan Natives.
22 In Title 8 U.S.Code 1401:

23 "The following shall be nationals and
24 citizens of the United States at birth.
25 A person born in the United States to
a member of an Indian, Eskimo, Aleutian,
or other aboriginal tribe; Provided,

1 that the granting of citizenship under this
2 subsection shall not in any manner impair
3 or otherwise affect the right of such person
4 to tribal or other property".

5 *

6 The Native Village of Barrow was incorporated by
7 Authority of the Act of Congress of June 18, 1934, as
8 amended by the Acts of June 15, 1935 and May 1, 1936.
9 The following is from the United States Government
10 Printing Office: (I'd like to read some portions of it
11 for you):

12 It's from the CONSTITUTION AND BY-LAWS of the NATIVE
13 VILLAGE OF BARROW:

14 We, a group of Eskimos having the common bond of
15 living together in the Village of Barrow, Territory
16 of Alaska, in order to have a better life and
17 greater security, make for ourselves this Consti-
18 tution and By-laws, by authority of the Act of
19 Congress of June 18, 1934, as amended by the Acts
20 of June 15, 1935, and May 1, 1936.

21 Article I is the name; Article 2 is membership, Article 3
22 is governing body; Article 4 is powers of the village -
23 and in the third paragraph of Article 4 it says::

24 To deal with the Federal and Territorial Govern-
25 ments on matters which interest the village
to stop any giving or taking away of the village
lands or other property without its consent, and
to get legal aid, as set forth in the Act of
June 18, 1934.

Then we have Article 5, rights of members; Article 6,
changes in the Constitution. Then there's the By-laws

1 - the By-Laws of the Native Village of Barrow: Article I
2 is: officers and their duties; Article 2 -adoption and
3 approval. In the last paragraph it states: "All officers
4 and employees of the Interior Department are ordered to
5 abide by the provisions of the said Constitution and
6 By-laws".

7 *

8 Now I also have here also Public Land Order 2344 which
9 created NARL - and I would like to just include it as
10 part of my testimony. Along that line it states in
11 the second paragraph:

12 "Subject to valid existing rights, the follow-
13 ing-described public lands in Alaska are hereby
14 withdrawn from all forms of appropriation under
15 the public land laws, including the mining and
16 mineral leasing laws, but not disposals of
17 materials under the Act of July 31, 1967
18 (61 Stat 631; 20 U.S.C. 601-604)" -

19 And I'd like to read the importance of that: "provided
20 however, that to the extent not otherwise authorized by
21 law, the Secretary is authorized in his discretion to
22 permit any Federal, State or Territorial agency, Unit
23 or subdivision, including municipalities or any associ-
24 ation or corporation not organized for profit, to take
25 anr remove, without charge, materials and resources sub-
ject to this subchapter, for use other than for commercial
or industrial purposes or resale - where the lands have
been withdrawn in aid of a function of a Federal department

1 or Agency other than the Department headed by the
2 Secretary, or of a State, Territory, County, Municipi-
3 pality, Water District, or other local governmental
4 subdivision or agency, the Secretary may make disposals
5 under this subchapter only with the consent of such other
6 Federal Department or Agency or of such State, Territory
7 or local governmental unit. Nothing in this subchapter
8 shall be construed to apply to lands in any national
9 park, or national monument or to any Indian lands or
10 lands set aside or held for the use or benefit of
11 Indians, including lands over which jurisdiction has been
12 transferred to the Department of the Interior by Execu-
13 tive Order for the use of Indians. As used in this sub-
14 chapter the word 'Secretary' means the Secretary of the
15 Interior'.

16 Thank you!

17 CHAIRMAN ROBERTSON:

18 Any questions from the panel? Mr. Gryc!

19 MR. GRYC:

20 I'm not sure - - you've done a lot of work and it will
21 be valuable to have that in the record, but the thrust
22 of your comments are what, that they are internally in-
23 consistent or that this Act is illegal or what?

24 *

25 *

1 MR. NEAKOK:

2 I just pointed these things out -that's a restatement
3 of what has happened in the past and what's in the books
4 maybe something that you probably can't even get a copy
5 of what's in that Executive Order on PET 4.

6 MR. GRYC:

7 Well thank you, that is valuable information.

8 CHAIRMAN ROBERTSON:

9 Any questions? (NO RESPONSE). Thank you for your
10 testimony - - if we could have your worksheets there to
11 include in the record we'd like to have them.

12 *

13 CHAIRMAN ROBERTSON:

14 Next we have Mr. David Fausice and Mr. Bill Thomas - -
15 will each of you gentleman state your name and affili-
16 ation, please!

17 MR. FAUSICE:

18 Mr. Chairman, my name is Dave Fausice, I work for the
19 Arctic Slope Regional Corporation - prior to that I
20 taught for six and a half years as a science teacher in
21 the Barrow School System.

22 CHAIRMAN ROBERTSON:

23 Would you spell your name please!

24 MR. FAUSICE:

25 **Check with DON JEAN on this - tapes not supplied*

****PLEASE NOTE PAGE NUMBERING HERE ****

This is the portion of the Barrow testimony
which was REMade at a later date and there-
fore the pages inserted and numbers adjusted.

This covers the testimony of THOMAS/FAUSIC,
and MR. BROWER, SR., and ROSITA WORL.

Page numbers commce with: 327-1
through::: 327-19

THIS IS THE BEST WAY OF NUMBERING
I CAN THINK OF RIGHT NOW.

1 M.R. BILL THOMAS:

2 (I am going to try to summarize what was said at the Federal
3 Energy Commission Hearings last Saturday in Barrow - I'll
4 try to summarize what I said at that hearing and also what
5 Dave Fausic said).

6 The reason we came to the Commission was to bring to the
7 Commission the awareness of the Barrow Youth Summer Camp.
8 The Barrow Youth Summer Camp is located about 45-air miles
9 directly south of Barrow at the confluence of the Mead River
10 and the Upiksi River - at that site there are two buildings
11 that have been erected and brought out there over the years
12 and this camp has been in existence operational since 1969.
13 At that time community volunteers ran the camp during the
14 summers and now the School District is committed to running
15 the camp every summer - it's operational from the time air-
16 planes can be safely landed out there which is about from
17 July 1st until when school starts in August.

18 *

19 The purpose of the camp is really sort of two-fold, first of
20 all it is recreational. Many recreational activities -
21 hiking, boating, swimming even are pursued by the partici-
22 pants who range in age usually from about seventh grade to
23 about ninth or tenth-graders; and the other purpose is en-
24 vironmental awareness. It is a very pristine setting -
25 none of the area has any development on it and most of it

1 hasn't been adversely impacted by oil exploration at this
2 point.

3 The reason we are bringing this to the Commission's atten-
4 tion and also to ask the Commission what would be the most
5 effective way to have an area surrounding the camp excluded
6 from surface development in the future - and to that end we
7 would request on behalf of the community and the youth of
8 Barrow that the surface remain undisturbed around the camp
9 and we'd like to propose that a five-square mile area would
10 be - - with the summer camp in its center would be appro-
11 priate exclusion for this summer camp.

12 *

13 That's just about it gentlemen. (What else can you think
14 of) Flossie?

15 FLOSSIE:

16 Well you mentioned that you were going to find some right
17 agencies to - that should be concerned with this location -
18 that you would be pursuing it with them.

19 MR. BILL THOMAS:

20 Yes, I would suggest that since the Department of Interior
21 is going to have jurisdiction over the development of
22 PET 4 that the proper agency within the Department consider
23 setting this area aside to keep it from surface exploitation.
24 I might add that the School District is continuing to support
25 the program by budgeting regular funds every year for the

1 activity and this year we are hoping to have the activity
2 continue under the supervision of the Inupiat Literacy
3 staff at the high school - this way we think it will serve
4 the purpose of keeping alive those values, skills and
5 techniques of outdoor living and life on the tundra through
6 the school setting.

7 FLOSSIE:

8 Are you aware that we have - -we're looking for more of
9 these historic sites - - -

10 MR. BILL THOMAS:

11 - Yes, I'm not familiar with it but I am aware of it.

12 FLOSSIE:

13 You know Ernie Frankson - - I think we might be able to
14 give you some support since right now we are finding historic
15 sites, trying to - historic sites and so forth.

16 MR. BILL THOMAS:

17 I'm sure that it's an aboriginal camping site - there's
18 evidence to suggest that it's been used for hundreds of
19 years.

20 Okay, I think that just about summarizes it. I might add
21 that we're going to send a packet of information regarding
22 the camp to the Governor's office - and I've forgotten what
23 the gentleman's name was that suggested we do that.

24 FLOSSIE:

25 Thank you Bill. Next we have Arnold Brower, Senior.

1 MR. ARNOLD BROWER, SR:

2 I do not have written testimony but I will testify as to
3 the recollections of my time, ever since I was drafted
4 into the Service. In 1943 I was drafted in the Service
5 Reindeer Herd right around NPR 4. At the time I didn't
6 know what NPR 4 exactly meant but I found out later it was
7 - that it represented a huge land reserve that the Navy
8 had selected for a reserve.

9 I was drafted into the Service at that time, served three
10 years of my time in the Army and I came home in 1946 and
11 I went to the Veterans Administration to see if I could get
12 a job and was assured that I would have a job with the
13 Navy located at the site now known as NARF - at that time
14 it was some other companies that were actually managing
15 this project known to be exploration - I think I would call
16 number one exploration for NPR 4.

17 *

18 I reported for work - I was told I'd have a job there, I
19 did work for one week only to get fired the next week for
20 the reason that I was an Eskimo. I learned then that
21 the Natives were not hired by any contractor for the Navy
22 at the time just because they were Eskimos. This is how
23 we were treated then. At that time I wrote to
24 Secretary Grubb, Department of Interior, and also to
25 Commandor Greenman in the Navy stating just how the

1 Eskimos were being treated - and I think this was the
2 turning point when the Natives got together - and then
3 they were hired about a year later, I recall that.

4 *

5 Now during the first exploration I sensed because of my
6 own backing to my own livelihood around in the Tripp River
7 area that there was tremendous damage in the fishing areas
8 where I used to fish and the river was contaminated with
9 diesel oil that was actually being distributed along there
10 and I do not wish to have these same incidents in the ex-
11 ploration number two which is now going on.

12 *

13 I said this last fall that the fishing was poor and the ex-
14 ploration has gone through the same area. It is my under-
15 standing that the lakes that have now re-established their
16 fish within a period of ten to twelve years were in the same
17 situation because I could not find any fish in the rearing
18 ponds.

19 FLOSSIE:

20 Do you want to name those lakes where the fish aren't
21 any more?

22 MR. BROWER:

23 Yes, I recall one that's called Finmore Rock, Sitkulik,
24 and the rest of the lakes that are in the Tripp River
25 area they not have names but they are the fish rearing

1 ponds. I notice that these fish we have, the white fish,
2 have not migrated out into the ocean, they just migrated
3 back into these lakes and stayed there for the winter,
4 they are locked in for the winter when they get there.
5 Some of these lakes that I named as the rearing ponds are
6 also the wintering areas for these fish.

7 As far as I know there has been hardly any research in these
8 lakes but any biologist or Fish and Game Department people
9 to know which lakes have the fish, even though they have
10 been in this land for a number of years - it's pretty hard.

11 *

12 I noticed in the first exploration that some of these
13 lakes, especially Shinmar-Rock have dropped about two to
14 three feet loss of water, a depth which is known to be about
15 eight feet. At the time I noticed it-it went down to
16 about five to six feet - and therefore it cannot support
17 any more fish because a tremendous amount of water has
18 been lost in that first exploration at Shinmar-Rock.
19 We enjoy these fish because we know where they're at -
20 and during the winter whenever we need them we can go and
21 get them but these lakes that I mentioned I would say they
22 are zero fish in them - and even if I was to go in an
23 emergency to survive on these fish I wouldn't be success-
24 ful.

25 *

1 I notice that these seismic have dealt with some tremendous
2 amounts without even knowing they are on some of these
3 lakes - and I think there is no one that can say I am out
4 of order when I mention that because there are indications
5 where the blasting has been done in these lakes and no
6 research of any kind had been done to find out if these
7 lakes did have fish in them - they were used as that source.
8 And that's the way an expert in the field of demolition
9 (and I know what explosives can do to fish) - knowing for
10 a fact that some of these lakes if you blew-up under ice you
11 did it with powders, such as black powder put in kegs or
12 in a shell, have a tremendous impact. I tested it once
13 and I know it can damage a lot of fish under ice.
14 I noticed what an explosive can do - it would detonate -
15 which is a fast act of explusion..

16 *

17 Just to recall back in my time when we was in that area
18 fishing with a hammer - = you could use a hammer to strike
19 right on the ice - observing the fish below you-you can
20 strike right on the ice itself, stun the fish and kill it
21 and kill it. That's how sensitive a noisemaker would be
22 in any of these areas. I would say that permafrost would
23 have the same effect, the detonation of a strong impact
24 could be used in the permafrost.

25 *

1 I sure wish that the impact statement that was being
2 presented by the Navy to be used by the contractors ex-
3 ploring this, especially GSI, be implemented and used up
4 to the capacity where the impact is.

5 As far as I know that impact statement is there and must be
6 utilized - it's not being utilized - it's just there.

7 I think this will conclude my testimony!

8 *

9 FLOSSIE:

10 Did you know of some of the locations that the Navy people -
11 the locations you know of, the ones that you mean, these
12 are the locations that they did some seismic operations on?

13 MR. BROWER, SR.

14 Those lakes actually have no more fish in them - I cannot
15 recall - - they tell me these trails were made through them
16 but to follow through would take time to follow the course
17 of the seismic crew to see where the actual explosion was
18 done - I cannot pinpoint the explosions that were being
19 used - but these lakes are of good size and you cannot miss
20 them if you are to go on a site seeing.

21 FLOSSIE:

22 In location to these lakes your camp is located not far
23 from Alaktak - -

24 MR. BROWER, SR:

25 - - my cabin is located in the Chip-River, and it's marked

1 by a little diamond so you can locate it on the map. There
2 are various other fishing camps on the Chip River but not
3 marked here on this map. Some of these since last year
4 (right next to my fish camp) the seismic crew had crossed
5 and blast in the Chip River - whether they knew it or not
6 I don't know but they had blast right in the river itself.
7 That's about a mile and a half from where my cabin is.

8 *

9 All along the Chip River area there's indications where
10 - even though you were not looking for the place where they
11 had detonated the charge there were indications where the
12 water had been heaved up in the lake where indications that
13 it might have been drilled and the pressure where the water
14 had come right up.

15 FLOSSIE:

16 So what you're actually saying is NPR 4 they have their
17 impact statements, they haven't actually done any research,
18 you're saying that they don't have any research done and if
19 they have they should watch out for some of the things that
20 they do!

21 MR. BROWER, SR:

22 Yes, for instance the seismic crew cannot deduct (sic) the
23 damage they did at the time they were exploring or setting
24 these charges - therefore they continue on until somebody
25 makes a report- it would be in breakup and after where a

1 test would have to be made in order to find out if the
2 fish was still there or the damages to the fish - that
3 wouldn't be known until about six or seven months after
4 the incident. They wouldn't know at the time when they
5 blow them up - - I think what happens these people do not
6 know - they do not have anybody with them that has the
7 knowledge to say 'this lake contains fish' so therefore
8 they just keep blasting off until such time the proper
9 job is done. Their interest is not on fish it's on oil,
10 based on oil - how it's reached down at the bottom. That's
11 something I learned later on -their interests do not lie
12 on the damabes we survive on - - on the fish we survive
13 on - on protecting our fish. This is something important,
14 these fish are here and they will be here even if the ex-
15 ploration has ended and the Navy people would be left here
16 and they are the ones that utilize it for food - and I'd
17 like to see the fish here undamaged. That's my main in-
18 terest, to protect the fish.

19 FLOSSIE:

20 I think your testimony is very important - everybody
21 should realize what effect that dynamite has on the land
22 and the lakes and the location of the fish. One person
23 just comes in and he don't know about the area - we're
24 saying he just don't know.
25

*

1 MR. BROWER, SR:

2 Well during the winter it's pretty hard to tell where
3 you're at but if you had some employee, for instance some-
4 body that has the knowledge to tell you exactly where
5 you're at - these Native people have lived here long enough
6 to know this. Even outside Natives outside of Barrow for
7 instance I've known and hired some Native people outside
8 of Barrow that were around in Noatak or Seliwig, I noticed
9 that, these people don't have the knowledge to tell this
10 lake, they have not been in these areas in the summer nor
11 do they survive from these lakes in their lifestyle. They're
12 being hired - - I know one person that was going right
13 through with the seismic crew but these hired ones they're
14 just as bad as any of them because they don't know what's
15 there, he's being hired as a cook or bullcook or something
16 like this. His interest does not lie on these things we
17 are trying to protect.

18 FLOSSIE:

19 Are there any questions that were asked at the public
20 hearing you might think of - some of the questions that
21 were raised?

22 MR. BROWER SR:

23 I was asked to testify and point out the lakes that actually
24 were there that I noticed and also some of the dead fish
25 where they occurred when the spring thaw was there.

1 My next-door neighbor he mentioned at the time he was up
2 in the fishing area near Alaktak that the dead fish were
3 on the edge of the lake that the seismic had got to during
4 the winter. They did tremendous damage, not only at the
5 lakes that I pointed out but also some other lakes around
6 the area - all these lakes that are ten feet, eight feet
7 or more - there's - or was a tremendous amount of fish in
8 these lakes - one lake has more than three species of fish.

9 FLOSSIE:

10 I think we've pretty well covered everything - I appreciate
11 your coming over and doing the testimony over again because
12 it's very important that we have it - your testimony is
13 very, very important.

14 MR. BROWER, SR:

15 At the time the Federal Energy people were here asking for
16 testimony I did come up with one thing that was wildlife
17 such as ducks, birds and other species - we hunt them at
18 the times when they are here even though we do not have any
19 open season for them - that's one reason I brought it up -
20 the protection of these - why we don't have a specific
21 open season given to us - open season at the time they are
22 here - the open season did occur after the water foul had
23 left this area - and this is something I did bring up at
24 that hearing for the reason I thought the Interior Depart-
25 ment should recognize, should be aware of something of this

1 nature - we do not have an open season - they could pretty
2 well give it to us when the game are here - for instance
3 the water foul season opens up when the trapping season
4 opens in the North Slope.

5 FLOSSIE:

6 Thank you very much Mr. Brower.

7 *

8 *

12 *

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In my estimation the difference in socio-economic impacts between petroleum development under Federal operation or by private industry on which the Federal Energy Administration is requesting comment, is the rate of development. It might be assumed that private industry would advocate rapid and immediate resource extraction from the reserve to achieve maximum economic benefit which in my opinion would be disastrous to the North Slope community. However, it is also conceivable that the transfer from the Navy to the Department of Interior was effected to promote accelerated development. Of major significance between development by the private sector and governmental agency is the difference in taxable revenues, a highly complex area which would warrant thorough analysis to overcome these inequities which would be most keenly felt by the local Borough government if development proceeded under governmental operation. If such action were pursued

1 through various techniques such as Public Law 874 or other
2 impact payment beyond the financial support for municipal
3 services and facilities guaranteed by the recent legislation
4 transferring the reserve would have to be devised.
5 However, of major concern to me is the lack of environment-
6 ally safe consciousness demonstrated by the petroleum in-
7 dustry. On the other hand, the Navy's activities on the
8 reserve are not indicative of an environmentally oriented
9 governmental agency. The Navy appears to be unwilling to
10 investigate if their activities have been damaging to the
11 fish resource as has been repeatedly reported by members of
12 the North Slope community. The uniqueness and sensitivity
13 of the Arctic environment demands that every precaution to
14 protect the environment be implemented. I would therefore
15 urge stringent policing authority to insure maximum en-
16 vironmental protection in the event of development.

17 *

18 The first issue we must confront is the Navy's persistent
19 unrealistic contention that its existing and proposed pro-
20 grams of seismic and related geophysical surveys within the
21 reserve 'is not anticipated to have significant impact on
22 physical or biological(including human) environment'.
23 This attitude must not be the position adopted by the De-
24 partment of Interior or any other Federal agency, if de-
25 velopment, production, transportation and distribution of

1 petroleum resources in the reserve is to proceed without
2 adverse effect to the local population.

3 *

4 It is not my position to assess the potential impact
5 from exploration, survey, and development or refute past
6 positions of socio-economic impacts. It is my position
7 to submit that statistical analysis of socio-economic
8 impacts of development may measure certain quantifiable
9 changes such as increased pressures on municipal services
10 and facilities, but these same methodological models are
11 not sufficient to assess qualitative changes. The pre-
12 dictive models which were utilized to assess socio-economic
13 impacts from the construction of the Trans-Alaska pipeline
14 were developed for complex societies. Its socio-economic
15 assessment was largely a measure of social service factors
16 and cash income. I recall one reference to the Alaska
17 Nativw which indicated that the analyst may have been some-
18 what cognizant of social and cultural differences which his
19 model did not take into consideration. The study does
20 suggest that the Native may experience some psychological
21 difficulties when he returns to his village after completion
22 of the pipeline, but the study does not pursue this cited
23 impact further, or offer mitigating action.

24 *

25 *

It is no longer adequate to believe that there is a unilateral movement from a subsistence to a cash economy. We cannot simply assume that rural Native communities are in a transitional state. A number of studies, and my own current research, suggests that successful dual economies exist, or for the Inupiat, an economy which includes both subsistence and cash economic activities. There is a balance and often necessary presence of subsistence pursuits and wage-earning income.

*

We cannot begin to understand subsistence economics as they exist on the North Slope by merely compiling an inventory of harvestable resources or by computing its monetary benefit. Such statistical analysis does not measure its full meaning. Subsistence as it exists on the Slope has deep cultural and social values which add to the cohesiveness and well-being of its society. Subsistence is more than an esoteric excursion into 'Nativeness'. In many ways it serves to bind its community members through the kin-based hunting and whaling activities, the sharing patterns and redistribution of the whale patterns, and other ceremonial and dance activities. It also apparently adds an unmeasurable psychological value. Another beneficial aspect of subsistence economies has been well documented through nutritional studies in Canada. These studies

1 show beyond any doubt, the high protein value of subsistence
2 foods and the ensuing deterioration of physical health as
3 the subsistence hunter moves into a total cash economy and
4 beings consuming lower protein value value commercial
5 cattle.

6 *

7 The successful occupation of the Arctic by the Inupiat
8 has been based on the harvest of renewable resources. The
9 North Slope has in the past experienced and survived boom-
10 bust cycles. They have been here for over 6,000 years, we
11 can assume that they will remain after final expropriation
12 of the non-renewable resources. Their environment and
13 their cultural ecological relation must not be destroyed.
14 It seems possible that with thorough analysis, proper
15 planning, and mitigating safeguards, cultural genocide and
16 adverse effects on petroleum development can be avoided.
17 Moreover, as I interpret the National Environmental Protec-
18 tion Act, Congress has mandated the protection of these
19 cultural differences.

20 *

21 In closing I must add that the government must not al-
22 low the continuation of colonial practices and attitudes
23 towards the residents of the North Slope. It must not
24 remove the natural resources for the sole benefit of the
25 rest of the nation and without accruing some benefit to the

1 community. Petroleum industries will without question
2 reap a financial bonanza, the oil and gas consumer will be
3 assured continued use and comfort from his technological
4 support systems, and the national energy program will be
5 relieved and enhanced. The North Slope community must share
6 in the wealth being generated from this region by also being
7 assured continued use of the natural gas resources.

8 *

9 *

****Check with DON JEAN - this is part of tapes not
supplied - following conversation is middle of
next tape that WAS furnished**

1 this situation of various native people in different
2 areas of the world describing in some cases outright
3 physical extermination or attempts at physical extermin-
4 ation of people. In many cases the losses of rights
5 to aboriginal lands (which Mr. Billy Neakok addressed
6 earlier at this session here) - and furthermore, these
7 organizations have been involved in some assistance to
8 the creation of native aboriginal peoples which is be-
9 coming affiliated with the United Nations under the
10 Social and Economic Council.

11 *

12 I have previously worked in this area in Wainwright back
13 in 1970 in connection with the International Biological
14 Program under subsidy of that and the research study of
15 Eskimos. I have done work in Greenland and in Alaska,
16 and some work in northern Lapland - in Sweden.
17 There are several points as a social scientist that I
18 would like to address- one point was mentioned earlier
19 about the work of the Berger Commission compared perhaps
20 to this public hearing. The Berger Commission in
21 Canada - probably working on the question of a pipeline
22 through the Mackenzie Valley, piping going into every
23 local community - they have been conducting hearings,
24 they have been imposing on the press to provide an at-
25 mosphere which would encourage local people to talk.

1 they have been providing translators - - when these
2 people have not been able to go to these meetings they
3 have went (sic) to each individual house to talk with
4 them, to get their comments.

5 *

6 Barrow has for the last year seen many public hearings
7 and very little has been coming out of them, due to
8 short notice. Sometimes there have been announced
9 public hearings and the people that were supposed to
10 conduct these public hearings haven't been coming up
11 here - that happened a couple of times this fall.

12 When the public hearings are conducted there's no trans-
13 lation provided thereby efficiently - - - the majority
14 of the population is thereby excluded from participating
15 and expressing their views on the subject in the language
16 in which they are most authoritative. In other words
17 there's no due process observed to date as there was
18 not when PET 4 was established in '23. That was one
19 point I wanted to make.

20 *

21 Now with respect to archeological and cultural resources
22 in '74 there was a Federal law (and I do have a copy
23 of a letter from the Secretary of the Navy to the
24 Advisory Council on Historical Situations stating that
25 the Secretary of the Navy at that time would observe

1 all Federal laws and regulations - and according to
2 one such, one percent of all project costs can or shall
3 be allocated towards - in this case cultural resources -
4 before the project proceeds.

5 *

6 I would believe this would be very important to have a
7 thorough analysis of land use and cultural resources
8 within this area, and of the importance. Miss Rosita
9 Worl that just talked here was talking about the quality
10 of analysis. I do believe it is very important to con-
11 duct quality of analysis and I believe in many ways it
12 might be cheaper than to conduct quantity of analysis -
13 or at least to describe the major part of what the
14 quality of approach is because in a quality of approach
15 you get down to an analysis of roles, the roles the
16 people play and the positions they have to exercise in
17 a community and what choices they have to live - and
18 giving changes in their ecological systems, what choices
19 are they left with.

20 *

21 There has been earlier some talk of impact of PET 4
22 development and I think I might add another one, an
23 example which demonstrates some of the early effects of
24 PET 4 earlier explorations - and which could also show
25 some of the utilization of such methods. Before the

1 turn of the century after the whaling activities in this
2 area, commercial whaling had extracted (sic) to the
3 southern States, outside world, a wave of reassurance
4 and thereby in order to be able to winter in this area
5 had established a real onslaught of the caribou and major
6 resources of the area. Tame reindeer were introduced
7 from Siberia in an attempt to provide new sources of
8 livelihood and to establish a new economy. Reindeer
9 herding was active in the North Slope too, Point Hope,
10 the Point Lay area, Icy Cape, Wainwright, Barrow and
11 east of Barrow you had other of the Barrow herds.

12 *

13 White or non-Native herders filtered into the industry
14 especially from Nome (and family) - when it was perceived
15 as something commercially fit - and through other diffi-
16 culties when the reindeer herding gained its maximum in
17 the middle of the 30s and after that all of a sudden most
18 of the reindeer disappeared. At the same time the Navy
19 established its research programs up here and its
20 activities - and I believe by the offering of some
21 alternative instead of assisting a waning industry which
22 was of utmost importance to this area, actually the Navy
23 helped kill off the reindeer herding as an economic
24 activity in this area.

25 *

1 I believe that to be a fair analysis of the economic
2 difficulties that the reindeer herding was experiencing
3 in the late 30s. In other words, all of a sudden you
4 see the householders, a field of possible economic
5 choices that he has to choose between, that field is
6 changed due to factors over which he had no influence.
7 Those matters have mostly been neglected, overlooked.

8 *

9 There was also some talk about resource programs that
10 I believe it could be of utmost importance in order to
11 have quality of good research that local entities be in-
12 volved in determination of what types and what kinds of
13 research will be conducted.

14 After I got to this area (the second time here) I came in
15 October of '74, after I came back here I have allowed my-
16 self the (I don't know what I should call it) - these
17 signs may be somewhat unusual practice of involving my-
18 self and allowing myself to assist local entities some-
19 what where the need is seen for it. Prior to coming
20 here I had been allowed - authorized the utilization of
21 the research lab established out here to conduct, to
22 assist and to write logistics for all research which was
23 mostly on government contracts. I assumed that since
24 the American researchers under the American government do
25 conduct quite a bit of research in Greenland for instance

1 - and they would also extract the same kind of hospit-
2 ability to a Dane coming to this area to do research -
3 so I was authorized to utilize the facility on a re-
4 imburseable basis. However, in interpretation of
5 certain of the scientific data I would like to point
6 this out - there is no scientific truths, scientific
7 interpretations of raw materials which are your data -
8 but your conclusions are always artifacts.

9 *

10 Based on a different interpretation that what the Navy
11 - - mostly true their support of research programs
12 through the lab - I have been threatened to lose my
13 authority to use the facility - and I would like to
14 read some notes I have from I believe, March 15, 1976.
15 When I was out of the lab I was sitting in the lobby
16 and when nobody else was around after seeing me several
17 times when other people were around, Mr. Larry
18 Underwood came over to me and said "you have made your-
19 self unpopular with some part of the Navy with some of
20 your comments" - and he added "you're not very (politic
21 or not very polite, I'm not sure)" and I was told it
22 was unwise what I had done. I replied verbally that
23 "I may be". I was asked if I was still on my project
24 and I replied "yes" . Then Mr. Underwood said "have
25 been asked to check on you - as long as you have your

1 project you may continue to use the facility if the
2 Navy still wants to authorize you, I'll check on your
3 authorization" and then he left.

4 DR. DAVIES:

5 Mr. Chairman, I'd like to question the germaneness of
6 the direction we're going.

7 CHAIRMAN ROBERTSON:

8 I am persuaded that references to the conversation you
9 had in the laboratory is not germane and I would there-
10 fore rule that it be stricken from the record. I would
11 ask that you confine your testimony to information on
12 exploration and development and production from NPR 4
13 and its environmental, social and economic effects.

14 MR. BROSTED:

15 I do believe it is germane to the extent that it shows
16 that local participation in determination of what types
17 of research should be conducted is very important - to
18 that effect I believe it is germane.

19 CHAIRMAN ROBERTSON:

20 Yes, we are prepared to accept testimony that local
21 participation is important, correct.

22 MR. BROSTED:

23 I think at this point I have no further comments.

24 CHAIRMAN ROBERTSON:

25 Any questions? (NO RESPONSE). Thank you for your

1 testimony sir. We will now havr an hour break
2 for lunch - the meeting will commence again at 2:15.

3 LUNCH

4 BREAK

5 HERE.

6 *

7 CHAIRMAN ROBERTSON:

8 Is Annie Brower here? Annie Brower, are you going
9 to tell us about this film here? Would you state
10 your name for the record and your affiliation please -
11 and introduce the topic of the film we are going to
12 see, please!

13 ANNIE BROWER:

14 Mr. Chairman, my name is Annie Brower (here reverts to
15 Native tongue) -

16 DR. DAVIES:

17 - Jack could you tell me what she just said?

18 CHAIRMAN ROBERTSON:

19 May we have a translation please?

20 ANNIE BROWER:

21 Well Mr. Chairman, that's just one area that goes to
22 show you all that there's a lot of difference in the
23 way we speak and the way we live, that's just one
24 example. So now I'll go on with the rest of this.
25 What I just said was that if I made my presentation in

1 my own native tongue it would be easier for me to clearly
2 explain to you how I really feel about what I am going
3 to say - -

4 CHAIRMAN ROBERTSON:

5 - - Mr. Jean, do we have someone that can do a trans-
6 lation for us?

7 MR. JEAN:

8 Yes sir.

9 CHAIRMAN ROBERTSON:

10 How far away are they?

11 MR. JEAN:

12 It's Mr. Charley over there by the door - he would act
13 as translator.

14 CHAIRMAN ROBERTSON:

15 Would you prefer to give it in your native tongue -
16 because we'll have to have it translated if you would
17 wish to.

18 ANNIE BROWER:

19 To make it easier for everybody, let me speak English.

20 CHAIRMAN ROBERTSON:

21 Alright, thank you.

22 ANNIE BROWER:

23 Mr. Chairman, my name is Annie Brower, I am a concerned
24 citizen of Barrow and the North Slope Borough. Yester-
25 day there was an interagency workshop on the delivery

1 and coordination of social services, and the group
2 cut a video-tape which they have asked to be played
3 for you today. We will give you this tape for your
4 transcribed record. This tape will enable you to
5 get a more precise idea of the social service problem
6 of this community, and perhaps a better sense of the
7 anxieties that NPR 4 development raises in the minds
8 of those who will have to work with the human problems
9 that this development will cause.

10 On this film you will see some different people that
11 are working in the area in different agencies.

12 **HERE FILM/SOUND TURNED ON**

13 FILM RUN - each party therein
14 introduced themselves and
15 gave brief explanation of
16 duties)

17 THIS TAPE IS 100% inaudible when
18 reproduced on Cassette tape.

19 ORIGINAL video-tape turned over
20 to Anchorage FEA office for
21 coordination with the follow-
22 ing fourteen (14) subjects
23 itemized on the video-

24 *

25 *

- 1) Sleep-off and detoxification center,
- 2) Jail facilities,
- 3) Trash and waste disposal,
- 4) Community recreation program,
- 5) Hiring more local service personnel and providing training at community competitive salaries,
- 6) Inupiat aides in villages and Inupiat professionals in social services in Barrow,
- 7) Expanded office space for Barrow Council on Alcoholism and Child Advocacy,
- 8) Housing,
- 9) Eligibility worker - food stamp worker - Social Security worker,
- 10) Scheduled human services meetings,
- 11) Orientation for newcomers,
- 12) Newsletter,
- 13) Law enforcement, State Trooper and City Police,
- 14) Human services expediter.

*

CHAIRMAN ROBERTSON:

Thank you very much. We'd like to welcome Mayor Eben Hopson of the North Slope Borough agreed to come here today and listen to us and perhaps make some comments on the points brought out in our meeting here today - - Mayor Hopson!

*

1 MAYOR EBEN HOPSON:

2 I'm sorry that I wasn't here earlier to participate
3 in your discussion - on the problems you were dis-
4 cussing - I want to say that I am delighted there is
5 a group finally getting together to cope with a lot of
6 these problems we've had for so long. Perhaps with
7 some cooperation from my own operation and other
8 agencies that have been in and out of here in the last
9 three-four years, committees like the Barrow Coordinat-
10 ing Committee, people that come here to make an assess-
11 ment of the environmental impact and other health
12 problems that are connected with what we think is just
13 ahead of us and that's the accelerated activity con-
14 nected with the exploration of NPR 4.
15 To have these problems for so long and most of us play-
16 ing dead, not wanting to recognize these problems I
17 think is the worst thing that happened in this
18 community. That's what I really want to say and to
19 encourage you people, a group of you to recognize this
20 a problem - - I'd like to urge this group to continue
21 concentrating on these problems as much as possible;
22 I would encourage my staff, the Health Department and
23 others to cooperate and help - and perhaps come up with
24 some meaningful programs for this community.
25

*

1 CHAIRMAN ROBERTSON:

2 Thank you very much for your concern and your comments
3 on these issues, I think very important issues. We hope
4 (as we have mentioned in the past) that this group here
5 will help to stimulate the interest of the community,
6 community leaders and other interested participants and
7 make this area a better place to live in.

8 CHAIRMAN ROBERTSON:

9 That's a very effective way to get across a very important
10 message. Did you have some other comments you'd like to
11 make Mrs. Brower?

12 ANNIE BROWER:

13 Mr. Chairman I would say this, that we got together talking
14 about (well in fact it's already here) - our social life
15 has been affected worse than it has been before - - you are
16 here talking about the land, the resources you can get out
17 of the land but what it is doing to our social life here is
18 what we really care about too.

19 This is some of our group that's really been working hard
20 on these problems and we decided to present this to the
21 people of this NPR 4 (or whatever you're called).

22 CHAIRMAN ROBERTSON:

23 Thank you! Mr. Jean, will you make arrangements so we
24 can get a copy of that film!

25 *

1 DR. DAVIES:

2 It was impossible to read what was written on the black-
3 board in the film and I noticed when they were speaking
4 addressing the various issues sometimes the names of what
5 was on the board wasn't clear, do you have a list or a copy
6 of what was on the blackboard?

7 ***YES, list being supplied for this record***

8 *

9 MR. McCONKEY:

10 There are no jail facilities at all presently here, is
11 that correct?

12 ANNIE BROWER:

13 That's what our representative said - at the moment they
14 are renovating the jail here but they have one at
15 Wainwright.

16 ***UNKNOWN SPEAKER:

17 Yes, there are jail facilities but I think the important
18 message that tape is trying to get across is that in spite
19 of legislative action the present facilities are totally
20 inadequate and might even be considered by some to be
21 inhuman. The Police Department is presently doing some
22 renovation and reconstruction - but even this renovation
23 is obsolete at this point and it won't be adequate - as I
24 think Mrs. Frank mentioned on the tape it's very important
25 that for example separate facilities for young offenders

1 of our culture, been able to live in an environment where
2 no other culture has been able to live without modern
3 conveniences.

4 *

5 I will be the first to admit that our traditional culture
6 is changing, but I must firmly state that our culture will
7 not become extinct. All cultures change, our society has
8 been able to adapt many new changes into our culture. The
9 first commercial whalers who came to the Arctic adapted
10 themselves to our culture while we borrowed many of their
11 ways.

12 *

13 However, I must admit we are gravely concerned that
14 petroleum development may bring adverse effects. There
15 may be many who come who may view our differences as being
16 inferior. I am concerned that the development activity
17 on our lands may destroy the ecological balances of our
18 environment of which we Inupiat are part of. Already we
19 have been blamed for the decline of the caribou population
20 when the State of Alaska's own reports show that we have
21 not increased our caribou harvest for the last several
22 years. My feeling is that there are other reasons for
23 the decline of caribou, perhaps the same causes that are
24 killing the fish are responsible for the caribou decline.
25 Unrealistic regulations are being proposed which would

1 restrict our use of the caribou and which will affect our
2 way of life. I would suggest that the real reasons for
3 the caribou decrease be studied and remedied.

4 *

5 Let me give an example: two years ago in the Wainwright
6 area during a severe fall storm, a herd of fifty caribou and
7 another herd of two hundred were seen going out to the
8 ocean, being blown out into the ocean ice. This may
9 have been a part of the cause of the caribou decline.
10 Caribou migration was along the coast and some went out
11 into the ice through natural causes.

12 I also do not think the people of the North Slope are
13 capable of harvesting 20,000 caribou as it was reported by
14 the game warden, maybe 10,000 but definitely not 20,000
15 caribou.

16 *

17 I realize that the government cannot know everything about
18 our culture, therefore our involvement in planning for the
19 petroleum development is mandatory.

20 *

21 In closing I would ask you one question: Does our way of
22 life have to change so that you can continue to maintain
23 YOUR own way of life????

24 *

25 *

1 CHAIRMAN ROBERTSON:

2 That's a very profound question and an important question.
3 Just to express a hope - and that is that it doesn't
4 change any faster nor in any direction that you would not
5 want it to change- - that doesn't necessarily mean it will
6 happen that way but I hope it does.

7 Any questions?

8 MR. McCONKEY:

9 If I might address that question Mr. Chairman - we asked
10 the Federal Government several times as part of the State
11 of Alaska - that if the Federal Government put nearly as
12 much emphasize on energy conservation as it does on
13 sticking holes in the ground in the State of Alaska it
14 probably wouldn't be necessary to stick the holes in the
15 State of Alaska. And I think to some degree that's what
16 this gentleman may be meaning - - as the other 49 States
17 pursue their way of life in keeping their shopping centers
18 lights on all night long in New York City then maybe you
19 wouldn't have to stick holes all over Petroleum Reserve 4.

20 CHAIRMAN ROBERTSON:

21 Any other questions? (NO RESPONSE). Thank you.

22 Next we have Mr. Edwardson, please. Good afternoon -
23 will you state your name and affiliation for the record
24 please!

25 *

1 MR. EDWARDSON:

2 My name is Charlie Edwardson, Sr. I've been in the
3 Arctic going on 56-years - I was one of the first em-
4 ployees working for the Navy up on the Colville, we didn't
5 have any vehicles, it was packs, and that's where I
6 started. I have been working with them for a long time
7 and finally I run into Max Brewer up on one of the sites -
8 that's where I learned how to play Monopoly.

9 CHAIRMAN ROBERTSON:

10 The panel has heard how you beat Max (as I understand it).

11 MR. EDWARDSON:

12 I'm a little concerned about this environment deal that's
13 going on. I've been with the drilling crews just about
14 every well they've drilled but the last well we drilled
15 that is something. There's the environmental guy here
16 but I'd rather see him go see that site out there, it's
17 not cleaned up. And another thing, they put a dump
18 right on a swamp where the brants nest and I don't think
19 there's any brants nests there any more.

20 CHAIRMAN ROBERTSON:

21 When was that well drilled, approximately?

22 MR. EDWARDSON:

23 Echo Bay, it's about twenty miles out of here.

24 CHAIRMAN ROBERTSON:

25 How long ago was it drilled?

1 river. And you know why I said that - - you see if you
2 see a lincoed under the water, if you could see it, you
3 could take a hammer and hit the ice right above him - and
4 there's just the impact of the hammer - how many fish
5 does a blast kill! And that's why our lakes where we
6 fish are just about extinct, our fish.

7 I asked one of the seisograph guys 'how far do you get
8 from the edge of the lake to blast' and he said 'right on
9 the edge where the water comes'. Now that blask can
10 kill a lot of fish - it don't take much to kill the fish
11 in the water with blasts.

12 *

13 I guess that's what's happening to our fish. We had some
14 good fishing grounds up there and this fall we hardly
15 even caught any. I followed the trail of the seismograph
16 last spring, checking on it with a Skidoo - and I wasn't
17 alone there were three Skidoos together. We followed
18 that trail and we followed it right across the lakes.
19 You never go around them you go right straight across -
20 some of the lakes is better than a mile across, and they
21 are deep. And that's what's happening. And there's a
22 lot of fish right above too - I hope they don't do any
23 blasting there. That's what's happening - and that's what
24 we live on. We don't just go out here and kill a beef
25 as we please like the outsiders or dig in the ground and

1 get some potatoes, that's a little hard for up here.
2 I'd like to see the environmental guys get a little strict
3 on the seismograph parties. That might kind of slow them
4 down but - you can't replace them fish or caribou. They're
5 caring quite a bit about the oil but they're not caring
6 what those caribou are going to eat, they can burn anything
7 up but they're not thinking what we're going to eat -
8 that's a fact and that's why I'm here. I don't have
9 a written statement but I think one of the girls might
10 write this down.

11 CHAIRMAN ROBERTSON:

12 Thank you. Any questions - - Dr. Davies!

13 DR. DAVIES:

14 Thank you for your testimony.

15 CHAIRMAN ROBERTSON:

16 Mr. Levitt - will you state your name and affiliation for
17 the record please.

18 MR. LEVITT:

19 My name is Price Levitt, I am the Administrative Assistant
20 for the City of Barrow, I am representing Billie Negesant,
21 City Manager of Barrow. This is the City of Barrow's
22 statement for Federal Energy Administration Hearing:

23 *

24 *

1 The projected exploration and future development of
2 Naval Petroleum Reserve Number 4 has far-reaching impli-
3 cations of multitudinal impact on a group of people who's
4 life-style will drastically be affected. It is the
5 position of the City of Barrow that little if any research
6 has been done to prepare this community towards social and
7 economic change.

8 *

9 The activities surrounding the Prudhoe Bay development
10 should serve to show the problem areas needing attention
11 in searching for energy producing products. The whole
12 State of Alaska has been affected, and to a minimal degree,
13 private, State and Federal agencies have responded in try-
14 ing to assist the State and its communities to meet the
15 need for population increase, criminal activity, educa-
16 tional development, housing needs, water and sewer
17 requirements, etc.

18 *

19 Indirectly, the City of Barrow has already been impacted
20 by Prudhoe Bay development through revenues generated by
21 the North Slope Borough. The lure of the dollar has
22 brought in outsiders seeking economic opportunities.
23 Additionally, the local residents have been forced more
24 into an economic life-style rather than continuing a sub-
25 sistence oriented form of livelihood. New homes are being

1 developed at a rapid pace, the schools are in need of
2 additional space, the police department activity is showing
3 the effect of criminal activity, housing is in extreme
4 shortage, etc.

5 *

6 The advancement of western civilization will impose regu-
7 lations which have been foreign to the traditional Eskimo
8 way of life. This will be reflected through wildlife
9 regulations, daily livelihood activity, change in local
10 law, etc.

11 *

12 Already the City of Barrow has been approached by repre-
13 sentatives of oil companies to sell land at a figure of
14 \$5,000.00 per 75'x125' lot. The local residents cannot
15 yet compete with these types of figures.

16 *

17 There is no room for residential, industrial, and commer-
18 cial growth until tract 'A' and tract 'B' are developed.

19 *

20 In essence, the City of Barrow strongly believes that if
21 Barrow is to be used as a staging area for the development
22 of NPR 4 those interested parties in oil exploration must
23 negotiate an assistance program for this community prior
24 to further planning and search for energy producing
25 products.

Thank you very much gentlemen!

1 CHAIRMAN ROBERTSON:

2 Questions from the panel? (NO RESPONSE). Thank you!

3 *

4 CHAIRMAN ROBERTSON:

5 I understand from Mr. Jean, Mayor Hopson, that you would
6 like to talk with us further - please come forward.

7 MAYOR HOPSON:

8 Thank you Mr. Chairman. Not too long ago, last month
9 on the 23rd of March, I received a letter and a copy of
10 one written by the same person to the Secretary of the Navy
11 this gentleman happens to be a former Presbyterian Preacher
12 in Barrow, from 1935 to 1945 I believe - he stayed here
13 for ten years. As a courtesy to him I'd like to read
14 both letters and leave them as part of your record.

15 CHAIRMAN ROBERTSON:

16 Yes - please continue.

17 MAYOR HOPSON:

18 Mr. Chairman, let me read his letter to the Secretary of
19 the Navy first and then the one written a day later to me.
20 You can see how the gentleman felt as we begin to read the
21 second letter.

22 This letter is from Frederick G. Klerekoper, our retired
23 preacher, now living in Austin, Texas - it's dated 3/22/76,
24 addressed to:
25

1 'The Honorable J. William Middendorf
2 The Secretary of the Navy
3 Washington, D.C.

4 Sir:

5 For ten years, 1935-45 I lived on the North Slope
6 in the village of Barrow, Alaska. It was before the time
7 of the use of certain machines with their insatiable need
8 for energy. I had a parish 600 miles long, which I
9 covered by dog-sled. I lived with the Eskimo and learned
10 to appreciate what fine people they are. I had the
11 privilege of writing the first phonetic alphabet and
12 dictionary with the help of an Eskimo informant, who went
13 on to translate the bible into the Inupiat language. I
14 travelled the North Slope once a year, caring for the sick
15 according to my limited ability, taking vital statistics,
16 acting as adviser and counselor in a material and
17 spiritual way. I am a clergyman of the Presbyterian
18 church, retired.

19 Today these fine people who are forced by circumstance
20 to come in two generations from a hunting economy and life-
21 style, to the jet age, are facing the threat of human
22 survival. The threat to human survival, the state of the
23 world's resources, the cries for justice and the God-given
24 rights must be listened to, and taken seriously. We too
25 must have a life-style that is in line with the world's
resources. We must have values that reflect global
consciousness.

1 Permit me to assert, sir, that we need more visible
2 unity with this global consciousness to fulfill our
3 destiny as honest leaders of men.

4 From the enclosed articles from the Fairbanks News-
5 Miner, you will note the Eskimo is asking for cooperation
6 in the exploration of the Barrow oil field. This is not
7 an unreasonable request, but in the best interests of all
8 concerned. May I suggest sir that you give careful
9 consideration to PET 4, including consultation with the
10 Eskimos on further seismic and drilling operations in
11 their area.

12 Yours very truly,

13 /s/ F. G. Klerekoper

14 *

15 Then on the following day he addressed this letter to
16 me, as Mayor of Barrow Borough (he calls it that but
17 it is the North Slope Borough) - - the letter was dated
18 March 23, '76:
19

20 *

21 *

22 *

23 *

1 "The Honorable Eben Hopson
2 Mayor of Barrow Borough
3 Barrow, Alaska 99723

4 My dear Eben:

5 I don't know if you believe in extra-sensory perception
6 but a strange thing happened yesterday. I had written
7 the enclosed letter to the Secretary of the Navy and in
8 the mail that took it away came the letter from the Session
9 of the church asking me to ne your Spiritual Emphasis
10 speaker, June 14th to 20th. Of course I am delighted to
11 accept and am framing a letter of acceptance, but in the
12 meantime thought you might be interested in a copy of the
13 enclosed.

14 I don't know what good it will do, Eben, it may be just
15 another voice crying in the wilderness - but it is a voice
16 and the bible tells us what a clout the voice of John the
17 Baptist had 'prepare the way of the Lord - make straight a
18 highway for our God, every valley shall be lifted up = the
19 rough places be made smooth - and the glory of the Lord
20 shall be revealed and all mankind together shall see it".
21 I definitely believe we are not alone in the struggle to
22 see right prevail.

23 I am looking forward to seeing you all, and help to
24 bring to mind your past glorious history and your great
25 potential future in this complicated present.

Very sincerely yours,

/s/ FRED KLEREKOPER . . .

1 With your permission Mr. Chairman, I'd like to have these
2 two letters entered into the record.

3 CHAIRMAN ROBERTSON:

4 We'd be pleased to have them - thank you.

5 Mr. Jean, do we have other people wishing to testify?

6 MR. JEAN:

7 Not at this time Mr. Chairman.

8 CHAIRMAN ROBERTSON:

9 Is there anyone in the room that would like to testify?

10 Yes sir - - if you will state your name and affiliation
11 for the record please!

12 MR. BUCKHOLTZ:

13 Good afternoon, my name is John Buckholt, I work for
14 Eben Hopson. I am by profession a planner and community
15 organizer and I've learned from painful experience that
16 you have to keep your mouth shut in the community you
17 are working in if you want to work effectively - but I
18 attempted to make these comments at the end of these
19 hearings. You've held three days of hearings and you've
20 heard many points and views. I was in Anchorage when you
21 convened your hearing on Wednesday and it was a large room
22 full of people and I made a comment to Terry Woods over
23 there that it looked like somebody was about to cut a fat
24 calf up there because of a lot of prosperous looking oil
25 guys in the room. I don't know what the completion

1 was in Fairbanks, I expect there was a lot of posey-sniffers
2 there from the University of Alaska talking about the
3 technical problems of development.

4 *

5 In Barrow I think you've got a taste of something that
6 you're going to have - - - more people in your business,
7 more people in the oil extraction business are going to
8 have to worry about. There's a new kind of regionism
9 that is developing throughout the world. My wife and I
10 have been in business as community organizers and planners
11 I suppose for a decade in Alaska, and we're also very
12 active in politics and we certainly know our way around
13 the State -- so I am not speaking from a position of
14 naievette or total ignorance - but I have watched the land
15 claims start - - or surface really, it started earlier than
16 that, I watched it surface in 1965 and I've had jobs and
17 positions where I've seen the land claims movement rise
18 and prosper, and I've seen it in detail. I have known the
19 men and women who led it and I've known those who got
20 divorced because of it, and I know of the pain and triumph
21 that the people have felt. It was a joy to watch but even
22 a greater joy to realize that this movement is galloping
23 all over the world. My wife went back to the Phillipines
24 - kind of a triumphal tour because she just got elected to
25 the House you know, and no Phillipino had ever been elected

1 to an elective office in America before - so she went
2 back to get the warm embrace of her people (you know) -
3 it had been a while - and she discovered that even in the
4 Phillipines the land claims is alive - the Phillipines
5 is a country full of people who up until recently got a
6 lot out of being 'white', more westernly orient their
7 lives, their families and so forth, and more prestige was
8 in it for them and particularly in the urban areas.
9 But this is all turning around now and Phillipine nation-
10 ism is being expressed by a rededication to the ethnic
11 values of the minority groups. There's ten million
12 native Phillipinos who live in the traditional life-style
13 of the Phillipines - and these people are becoming
14 politically important, not because they are the majority
15 but because of the way they live expresses something
16 politically for all the Phillipinos and they realize now
17 that the ethnic minorities - which less face it for a long
18 time were despised - are the people who kept the faith.
19 Keeping the faith - this is something that is restricted
20 to - - isn't something that is restricted to Jerry
21 Brown in California, it's not something that's restricted
22 to people who backed McGovern in '72 - keeping the faith
23 seems to be sweeping across this country.
24 But the faith was never lost in places like this - Barrow
25 is surfacing I think, and will become an internationally

1 known community because it is a place where we can see
2 what's happening along the east coast where resource
3 development is bringing us, the white man to come (you
4 know) for his own salvation, we need the energy.

5 *

6 IN The case of NPR 4 everything comes together, this is
7 really - -Barrow is quite a town at best. In the case
8 of NPR 4 (let's face it) the land was stolen on a false
9 pretext from the people. The people here had a great
10 deal of faith in us and they had faith in the government
11 and in those days (let's face it) nobody complained about
12 something which is done in the case of national defense -
13 and I've never heard anybody really until the last couple
14 of years really question 'why did they take NPR 4". It
15 is becoming clear as we look at the history and so forth
16 and the remarkable circumstances which have been run past
17 us in the last two or three years in the national politics
18 that really the hearings today - that you're really dis-
19 cussing how to manage stolen land - and the remarkable
20 thing is that you're coming right to the people you stole
21 it from (not us - not you) - the government you represent.
22 You're coming to the people and asking them how would they
23 like for you to manage the land that was stolen from them
24 in 1923 - and many of the people who were alive then, who
25 are here, saw it happen.

1 But as the Major said, we can't turn the clock back. We
2 can I suppose demonstrate, not only to the people of
3 Alaska, not only to the people of the world - of the
4 United States - but the people of the entire world, and
5 most especially the people of Canada, the Eskimo people
6 of Canada and Greenland who are faced with the same facts
7 because they too have to reconcur their lands and get
8 involved in such a way that the resource extraction, the
9 audit will be done in a more compassionate, in a way in
10 which everybody will benefit.

11 *

12 The regionalism I speak of is where people who are tied
13 together by families - - let me give you an example of
14 that: I was over at Tom Brower's two weeks ago and a fellow
15 named Charlie Gordon from the Northern Quebec Univliat
16 Association was in town as part of the people who are
17 planning the International _____ Conference next year -
18 and his last name was Gordon. Old Tom Brower is kind of
19 the Elder here and is a descendent of Charlie Brower who
20 came and opened the Cape Smith Whaling and Trading Company
21 there - and old Tom Gordon was an associate of his.
22 Gordon went down - that was his own thing down at
23 Nunuvik, and Gordon traveled all the way across Canada
24 (you know) and it took Eben Hopson though and the power
25 of Home Rule to bring all that back together again in

1 this room and the people discovered 'yes we can understand
2 the people of Canada, yes we can understand them perfectly
3 well from Greenland' - and so on. So you see it's a
4 matter of family.

5 So in Brower's house (you know) I watched him sort of
6 welcome a kinsman of his father's old friends that came to
7 the Arctic first (you know) with the whalers. And that's
8 how small, home-town it is you see, and that's what's
9 happening all across the Arctic coast, people are getting
10 together because of improved transportation and communi-
11 cations and a common worry, the worry you see is the oil
12 development.

13 If you think that resource development is going to be
14 difficult here you ought to see how difficult the Eskimo
15 people are making it in Canada and how much more difficult
16 they're going to make it in Greenland. They are not
17 going to try to stop it because they are reasonable people -
18 and although they can't - but it's going to be done on their
19 terms and I think that the greater acquiescence the earlier
20 this acquiescence comes from the Federal Governments in-
21 volved the better. In the case of Arctic's resource de-
22 velopment I think we are dealing with a super kind of
23 regionalism from which the oil is going to have to be
24 extracted according to a common set of rules which will be
25 a matter of international treaty. What we have here is

1 a very sophisticated, complicated coastal zone management
2 problem which extends out even onto the ice.

3 *

4 The people here (would you believe) sitting in this room
5 last Sunday were addressed by the Chief of the U.S.
6 Delegation of the Law of the Sea Conference in which he
7 told them of the significance of the organization they
8 were thinking of and the common challenge they have in
9 the safe development of oil resources in the Beaufort
10 Sea and the preservation of the ice - and the control of
11 the Arctic seabed, to insure it against harm.

12 *

13 These are the larger issues it seems to me that aren't
14 down the road so to speak - that Conference is going to
15 happen in November, out of that Conference will come an
16 International Eskimo Organization which is going to be
17 able to speak with some authority about the different sets
18 of rules the oil industry uses up and down the Arctic
19 coast, which is becoming a smaller and smaller neighbor-
20 hood all the time. But in NPR 4 you see you haven't
21 got a prayer because the Federal Government controls this,
22 you can't blame it on the - - as Max Brewer would say
23 'turning over to the Department of Interior means that you
24 are going to turn it over to a traditional set of robber-
25 barons who are going to come in here and just do their own

1 thing and we're going to lose the control' - whereas the
2 Navy (you know) could have court-martialed somebody if
3 they didn't clean up a site or something.
4 Well that may happen, it may be that the traditional
5 corrupt relationship between the Department of Interior
6 Officials and oil executives will attain up here - but
7 I don't think it has to (see) - because a single - -
8 because the Department of Interior control up here can
9 turn this place into an exemplary example, a really good
10 example that the United States can deal fairly, even on
11 land which we all have to now agree, has been stolen, for
12 no good reason, for some scam citing reasons of national
13 security We can all accept the prologue and continue
14 although parenthetically I wouldn't be surprised if we
15 find that the Alaska Land Claims Settlement Act is a
16 developing document. We've already seen Charlie
17 Edwardson, Sr.'s son, Charlie Edwardson, Jr. sue a fellow
18 named Morton, and two, that the people who drilled over on
19 Prudhoe Bay did so while they were trespassers and now
20 they are going to have to pay (you know) these trespassers.
21 So the Edwardson vs. Morton is as you might say kind of
22 another act of the Alaska Native Land Claims movement -
23 and I wouldn't be surprised if people go to court in that
24 NPR 4 becomes a further act in the development of the
25 Alaska Native Land Claims movement - but we'll see.

1 We'll see if that happens or not! If I was a planner
2 I would look for some litigation to perhaps prove the
3 legal posture of the people here and give them the true
4 facts and true motivations underlying the taking of the
5 land for the Naval Petroleum Reserve.

6 *

7 But all that aside, let's - - that's all speculation,
8 the fact is that here we have a chance to do it and if we
9 do it well here this is going to mean good things for
10 the people down the coast - it's the same oil companies
11 that's going to be developing down the coast in Canada
12 and off the coast of Greenland. So it's very important
13 that what you do your just not doing it by yourselves,
14 you're doing it under the eyes of everybody and it's not
15 just the Eskimo people who are organizing across the
16 international lines, based upon common communities - -
17 there are just lots of indiginous communities that trans-
18 cend international lines. So I think we're going to find
19 that resource development along coastal areas occupied
20 and populated by people who are kindred but live on both
21 sides of the national borders such as in South America
22 for instance, this kind of thing is going to proliferate
23 and is going to be fueled by the same fuel we're after
24 under the ground. So you're dealing with a highly
25 sophisticated situation here - I can only say to you

1 to be very careful what you do here - that it's worth
2 the care - because let's face it, this is a new nation
3 we're living in, Richard Nixon was kind of a catharsis for
4 us and I think we are all anxious to do better.
5 Here is a tremendous opportunity to do better - - but I
6 just want to underscore that we're dealing in international
7 stakes, this is the last place where we can easily get to
8 the fuel underneath the ground and from now on we're going
9 to have to go out off the shores of our country and it's
10 going to get tougher and the attitudes the people have
11 toward you as you try to develop these resources are going
12 to be based upon how you handled easier circumstances -
13 and you've got relatively easy circumstances here - and
14 it's going to get worse as you go on.
15 So it seems to me the watchword is 'be very, very careful'
16 and remember, nobody knows as much about the Arctic as the
17 Eskimo people - the Arctic was built to their language,
18 the ice mechanics, all the physics of the Arctic are built
19 right into the language, nobody can be as expert as they
20 are - and it should be considered a privilege and a great
21 advantage not only to you but to anybody who plans the
22 development of the Arctic, it should be a privilege to be
23 able to sit with the people who live here peacefully, with-
24 out rancor and plan together how to best do it - and the
25 opportunity to do that of course is facilitated by the fact

1 that the people here have acquired Home Rule (you see)
2 they govern themselves so therefore they can speak with
3 the authority of democratic self-determination.
4 So it seems to me what while we have a potentially severe
5 problem here, calamity as a matter of fact, we also have
6 some very good cards in our deck and these are the same
7 cards that exist all the way down the coast. If Home
8 Rule is able to preserve the people from the calamity that
9 they see coming down the road here then there is going to
10 be greater democratic self-determination for all the people
11 of the Arctic, all the way into Canada and Greenland, and
12 if that happens then it's going to be a more productive
13 Arctic for all over the world. So you're not just deal-
14 ing with 35-hundred people here, you're dealing with
15 100-thousand Eskimo people who are the experts on the land
16 where so much of the fuel we are going to depend upon for
17 urban survival in America and Canada and other parts of
18 the world, Japan - this where the people are, the people
19 that live here certainly know most about how to get it out
20 safely - so I would attend them with great, great care.
21 That's all I have to say!!!!

22 CHAIRMAN ROBERTSON:

23 Thank you - -any questions from the panel? (NO RESPONSE).
24
25

*

*

1 CHAIRMAN ROBERTSON:

2 Anyone else who would like to testify? - In English or
3 their native language! (NO RESPONSE.)

4 *

5 Speaking for the Federal Energy Administration and this
6 panel I would thank Mayor Hopson for helping arrange this
7 hearing; I would thank all of those who testified; those
8 who attended and others who helped arrange this very
9 productive meeting.

10 We've learned a lot, we've learned that you have strong,
11 effective leadership, we've learned that you have a strong
12 sense of the care of the land and as Mr. Buckholtz said,
13 it's worth that care. I am glad we came - our report
14 will certainly be better for it.

15 I do urge those of you that would like to send in a
16 written statement to do so as soon as you can and hopefully
17 it will be this weekend. The address to send it to is:

18 Mr. Fred Chiei
19 Deputy Regional Administrator
20 for Alaska
21 Federal Energy Administration
Room G-11 Federal Office Bldg.,
Anchorage, Alaska 99501

22 With that - this hearing is adjourned'!!!!!!!!!!!!!!!!!!!!!!

23 END

24 OF

25 THIS

HEARING.